

Schedule of Rates
for
Natural Gas Service
Available
In the Entire Territory Served By
Black Hills Gas Distribution, LLC
d/b/a Black Hills Energy
7060 Alegre Street
Fountain, CO 80817
www.blackhillsenergy.com
Customer Service: 888.890.5554

Supersedes in its entirety:
Kinder Morgan, Inc.'s
Tariff
Colorado P.U.C. Volume No. 6

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INFORMATION SHEET

Description

1. This Colorado PUC No. 7 Tariff of Black Hills Gas Distribution, LLC (“the Company”) includes general terms and conditions, rate schedules and forms of agreements for the services provided by the Company in accordance with the Colorado Public Utilities Commission’s Rules Regulating Gas Utilities and Pipeline Operators. To the extent the provisions of these Rules and Regulations are inconsistent with the Commission’s Rules, the Commission’s Rules shall govern, unless a waiver of those rules is in place. Sections of this Tariff may be referred to as “rules.”

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SYMBOL LEGEND

- C – Change in text due to a changed regulation, term or condition, which does not affect rates
- D – Discontinued service or deleted material
- I – Rate Increase
- R – Rate Reduction
- M – Material moved from or to another part of the tariff
- N – New material, including new products, rates, terms, or conditions
- T – Change in text not related to changes in rates, charges, terms, or conditions

N

PARAGRAPH NUMBERING SEQUENCE

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a.
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This Sheet is Reserved for Future Use.

North Eastern Colorado
LIST OF TERRITORIES SERVED
(Included in Base Rate Area 2)

Natural gas service is supplied in the following franchised cities, towns and communities and/or adjacent fringe and rural territories, as well as certain rural areas located in Cheyenne, Logan, Morgan, Phillips, Sedgwick, Washington, Weld and Yuma Counties. For rates available see Tariff Sheets 7 and 7A.

<u>Locality</u>	<u>Rate Area</u>	<u>County</u>
Akron	North Eastern	Washington
Eckley	North Eastern	Yuma
Fleming	North Eastern	Logan
Haxtun	North Eastern	Phillips
Holyoke	North Eastern	Yuma
Iliff	North Eastern	Logan
Julesburg	North Eastern	Sedgwick
Otis	North Eastern	Washington
Ovid	North Eastern	Sedgwick
Paoli	North Eastern	Phillips
Wray	North Eastern	Yuma
Yuma	North Eastern	Yuma

Western Slope Colorado
List of Territories Served
(Included in Base Rate Area 1)

Natural gas service is supplied in the following franchised cities, towns and communities and/or adjacent fringe and rural territories, as well as certain rural areas located in Delta, Eagle, Garfield, Montrose, Ouray, Pitkin and San Miguel Counties. For rates available see Tariff Sheets 7B, 7B-1 and 7C.

<u>Locality</u>	<u>Rate Area</u>	<u>County</u>
Aspen	Western Slope 1/	Pitkin
Basalt	Western Slope 1/	Eagle
Carbondale	Western Slope 1/	Garfield
Cedaredge	Western Slope	Delta
Collbran	Western Slope	Mesa
Crawford	Western Slope	Delta
Delta	Western Slope	Delta
Eagle	Western Slope 1/	Eagle
Glenwood Springs	Western Slope	Garfield
Gypsum	Western Slope 1/	Eagle
Hotchkiss	Western Slope	Delta
Montrose	Western Slope	Montrose
Mountain Village	Western Slope	San Miguel
Naturita	Western Slope	Montrose
Norwood	Western Slope	San Miguel
Nucla	Western Slope	Montrose
Olathe	Western Slope	Montrose
Orchard City	Western Slope	Delta
Ouray	Western Slope	Ouray
Paonia	Western Slope	Delta
Ridgway	Western Slope	Ouray
Sawpit	Western Slope	San Miguel
Snowmass Village	Western Slope 1/	Pitkin
Telluride	Western Slope	San Miguel

1/ Rates for these areas are available on Tariff Sheet 7B-1 and 7C with Storage. For all other areas, rates are available on Tariff Sheet 7B and 7C without Storage.

North Central Colorado
List of Territories Served
(Included in Base Rate Area 1)

Natural gas service is supplied in the following franchised cities, towns and communities and/or adjacent fringe and rural territories, as well as certain rural areas in Larimer and Weld Counties. For rates available see Tariff Sheets 7D and 7E.

<u>Locality</u>	<u>Rate Area</u>	<u>County</u>
Dacono	North Central	Weld
Erie	North Central	Weld
Firestone	North Central	Weld
Frederick	North Central	Weld
Mead	North Central	Weld
Wellington	North Central	Larimer

Arkansas Valley Colorado
List of Territories Served
(Included in Base Rate Area 2)

Natural gas service is supplied in the following franchised cities, towns and communities and/or adjacent fringe and rural territories, as well as certain rural areas in Bent, Crowley and Otero Counties. For rates and terms available see Tariff Sheet Nos. 7F and 7G.

<u>Locality</u>	<u>Rate Area</u>	<u>County</u>
Cheraw	Arkansas Valley Division	Otero
Crowley	Arkansas Valley Division	Crowley
Fowler	Arkansas Valley Division	Otero
La Junta	Arkansas Valley Division	Otero
Las Animas	Arkansas Valley Division	Bent
Manzanola	Arkansas Valley Division	Otero
Olney Springs	Arkansas Valley Division	Crowley
Ordway	Arkansas Valley Division	Crowley
Rocky Ford	Arkansas Valley Division	Otero
Sugar City	Arkansas Valley Division	Crowley
Swink	Arkansas Valley Division	Otero

Southwestern Colorado
List of Territories Served
(Included in Base Rate Area 2)

Natural gas service is supplied in the following franchised cities, towns and communities and/or adjacent fringe and rural territories, as well as certain rural areas in Archuleta, La Plata and Mineral Counties. For rates and terms available see Tariff Sheet Nos. 7H and 7I.

<u>Locality</u>	<u>Rate Area</u>	<u>County</u>
Bayfield	Southwestern Colorado	La Plata
Pagosa Springs	Southwestern Colorado	Archuleta

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Advice Letter No. 285

Decision or
Authority No. R16-0058

Jerrad Hammer
Issued By

Director - Rates and Regulatory
Title

Issue Date: February 19, 2016

Effective Date: March 1, 2016

North Eastern Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 2) (1)

<u>Rate Schedule</u>	<u>Sheet Number</u>	<u>Type of Charge</u>	<u>Billing Units</u>	<u>Base Rates</u>	<u>DSMCA (4)</u>	<u>Riders (5)(6)</u>	<u>GCA (2)</u>	<u>Total</u>
R-2	9	Customer(3)	Per Meter	\$10.00	\$1.09	(\$0.01)	-----	\$11.08
R-2	9	Volumetric	Per Therm	\$0.2070	\$0.0225	(\$0.0067)	\$0.4814	\$0.7042
SC-2	10	Customer(3)	Per Meter	\$20.00	\$2.36	\$0.64	-----	\$23.00
SC-2	10	Volumetric	Per Therm	\$0.1424	\$0.0168	(\$0.0046)	\$0.4814	\$0.6360
LC-2	11	Customer(3)	Per Meter	\$100.00	\$11.82	\$5.10	-----	\$116.92
LC-2	11	Volumetric	Per Therm	\$0.1165	\$0.0138	(\$0.0038)	\$0.4814	\$0.6079
ICD-2	12	Customer(3)	Per Meter	\$40.00	\$4.73	\$2.78	-----	\$47.51
ICD-2	12	Volumetric	Per Therm	\$0.0702	\$0.0083	(\$0.0023)	\$0.4814	\$0.5576

(1) Base Rate Area 1 is composed of Western Slope and North Central. Base Rate Area 2 is composed of North Eastern, Arkansas Valley and Southwestern.

(2) The Company has the following five GCA Rate Areas: North Eastern, Western Slope, North Central, Arkansas Valley, and Southwestern. The GCA rates shown on this tariff sheet are subject to adjustment for changes in Company's cost of gas as provided for by the Gas Cost Adjustment provisions on Sheet Nos. 37-39 of this Tariff. The above GCA rates reflect a gas cost adjustment as follows:

$$\text{GCA Formula: } \frac{\text{Current Gas Cost}}{\$0.4748} + \frac{\text{Deferred Gas Cost}}{\$0.0066} = \frac{\text{GCA}}{\$0.4814}$$

(3) The Customer Charge shall be increased by \$40.00 per month for premises that avail themselves of the Extra Construction Allowance for the duration of the repayment period.

(4) Base rates under this Tariff are adjusted by the Demand Side Management Cost Adjustment per Tariff Sheet No. 13 summarized below:

<u>Demand Side Management Cost Adjustment ("DSMCA")</u>			
<u>Rate Schedule</u>	<u>Percent</u>	<u>Monthly Rate</u>	<u>Volumetric Rate</u>
R-2	11.41%	\$1.09	\$0.0225
SC-2	12.58%	\$2.36	\$0.0168
LC-2	12.58%	\$11.82	\$0.0138
ICD-2	12.58%	\$4.73	\$0.0083

(5) Base rates under this Tariff are adjusted by the General Rate Schedule Adjustment per Tariff Sheet No. 8A summarized below:

<u>General Rate Schedule Adjustment ("GRSA")</u>			
<u>Rate Schedule</u>	<u>Percent</u>	<u>Monthly Rate</u>	<u>Volumetric Rate</u>
R-2	-3.24%	(\$0.32)	(\$0.0067)
SC-2	-3.24%	(\$0.65)	(\$0.0046)
LC-2	-3.24%	(\$3.24)	(\$0.0038)
ICD-2	-3.24%	(\$1.30)	(\$0.0023)

(6) Base rates under this Tariff are adjusted by the Black Hills Energy Assistance Program ("BHEAP") funding fee per Tariff Sheet No. 21 summarized below:

<u>BHEAP Funding Fee</u>	
<u>Rate Schedule</u>	<u>Monthly Rate</u>
R-2	\$0.31
SC-2	\$1.29
LC-2	\$8.34
ICD-2	\$4.08

North Eastern Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 2)

Rule 4406(b) Itemized Billing Units

Rate Schedule	Volumetric Charges Per Therm					Monthly Charge (Per Meter)		
	<u>Gas Cost Adjustment</u>					<u>DSMCA</u>	<u>Customer Charge 1/</u>	<u>Total</u>
	<u>Distribution 1/</u>	<u>Commodity</u>	<u>Upstream Pipeline</u>	<u>DSMCA</u>	<u>Total</u>			
R-2	\$0.2003	\$0.2550	\$0.2264	\$0.0225	\$0.7042	\$1.09	\$9.99	\$11.08
SC-2	\$0.1378	\$0.2550	\$0.2264	\$0.0168	\$0.6360	\$2.36	\$20.64	\$23.00
LC-2	\$0.1127	\$0.2550	\$0.2264	\$0.0138	\$0.6079	\$11.82	\$105.10	\$116.92
ICD-2	\$0.0679	\$0.2550	\$0.2264	\$0.0083	\$0.5576	\$4.73	\$42.78	\$47.51

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1/ Includes General Rate Schedule Adjustment ("GRSA") pursuant to Sheet No. 8A and the Black Hills Energy Assistance Program ("BHEAP") funding fee pursuant to Sheet No. 21 and in the amount shown on Sheet No. 7 (Note 5 and 6) for the corresponding class of service and type of charge.

Western Slope Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 1) (1)

Rate Schedule	Sheet Number	Type of Charge	Billing Units	Base Rates	DSMCA (4)	Riders (5)(6)	GCA (2)	Total
R-1	9	Customer(3)	Per Meter	\$11.00	\$0.83	\$0.80	-----	\$12.63
R-1	9	Volumetric	Per Therm	\$0.2282	\$0.0172	\$0.0101	\$0.6037	\$0.8592
SC-1	10	Customer(3)	Per Meter	\$22.00	\$2.64	\$2.26	-----	\$26.90
SC-1	10	Volumetric	Per Therm	\$0.1869	\$0.0224	\$0.0082	\$0.6037	\$0.8212
LC-1	11	Customer(3)	Per Meter	\$100.00	\$12.01	\$12.75	-----	\$124.76
LC-1	11	Volumetric	Per Therm	\$0.1544	\$0.0185	\$0.0068	\$0.6037	\$0.7834
ICD-1	12	Customer(3)	Per Meter	\$180.00	\$21.61	\$12.02	-----	\$213.63
ICD-1	12	Volumetric	Per Therm	\$0.0923	\$0.0111	\$0.0041	\$0.6037	\$0.7112

(1) Base Rate Area 1 is composed of Western Slope and North Central. Base Rate Area 2 is composed of North Eastern, Arkansas Valley and Southwestern.

(2) The Company has the following five GCA Rate Areas: North Eastern, Western Slope, North Central, Arkansas Valley, and Southwestern. The GCA rates shown on this tariff sheet are subject to adjustment for changes in Company's cost of gas as provided for by the Gas Cost Adjustment provisions on Sheet Nos. 37-39 of this Tariff. The above GCA rates reflect a gas cost adjustment as follows:

$$\text{GCA Formula: } \frac{\text{Current Gas Cost}}{\$0.5388} + \frac{\text{Deferred Gas Cost}}{\$0.0649} = \frac{\text{GCA}}{\$0.6037}$$

(3) The Customer Charge shall be increased by \$40.00 per month for premises that avail themselves of the Extra Construction Allowance for the duration of the repayment period.

(4) Base rates under this Tariff are adjusted by the Demand Side Management Cost Adjustment per Tariff Sheet No. 13 summarized below:

Demand Side Management Cost Adjustment ("DSMCA")			
Rate Schedule	Percent	Monthly Rate	Volumetric Rate
R-1	7.21%	\$0.83	\$0.0172
SC-1	11.50%	\$2.64	\$0.0224
LC-1	11.50%	\$12.01	\$0.0185
ICD-1	11.50%	\$21.61	\$0.0111

(5) Base rates under this Tariff are adjusted by the General Rate Schedule Adjustment per Tariff Sheet No. 8A summarized below:

General Rate Schedule Adjustment ("GRSA")			
Rate Schedule	Percent	Monthly Rate	Volumetric Rate
R-1	4.41%	\$0.49	\$0.0101
SC-1	4.41%	\$0.97	\$0.0082
LC-1	4.41%	\$4.41	\$0.0068
ICD-1	4.41%	\$7.94	\$0.0041

(6) Base rates under this Tariff are adjusted by the Black Hills Energy Program ("BHEAP") funding fee per Tariff Sheet No. 21 summarized below:

BHEAP Funding Fee	
Rate Schedule	Monthly Rate
R-1	\$0.31
SC-1	\$1.29
LC-1	\$8.34
ICD-1	\$4.08

Western Slope Colorado
Sales Service Schedule of Rates with Storage
(Included in Base Rate Area 1) (1)

<u>Rate Schedule</u>	<u>Sheet Number</u>	<u>Type of Charge</u>	<u>Billing Units</u>	<u>Base Rates</u>	<u>DSMCA (4)</u>	<u>Riders (5)(6)</u>	<u>GCA (2)</u>	<u>Total</u>
R-1S	9	Customer(3)	Per Meter	\$11.00	\$0.83	\$0.80	-----	\$12.63
R-1S	9	Volumetric	Per Therm	\$0.2282	\$0.0172	\$0.0101	\$0.6650	\$0.9205
SC-1S	10	Customer(3)	Per Meter	\$22.00	\$2.64	\$2.26	-----	\$26.90
SC-1S	10	Volumetric	Per Therm	\$0.1869	\$0.0224	\$0.0082	\$0.6650	\$0.8825
LC-1S	11	Customer(3)	Per Meter	\$100.00	\$12.01	\$12.75	-----	\$124.76
LC-1S	11	Volumetric	Per Therm	\$0.1544	\$0.0185	\$0.0068	\$0.6650	\$0.8447
ICD-1S	12	Customer(3)	Per Meter	\$180.00	\$21.61	\$12.02	-----	\$213.63
ICD-1S	12	Volumetric	Per Therm	\$0.0923	\$0.0111	\$0.0041	\$0.6650	\$0.7725

(1) Base Rate Area 1 is composed of Western Slope and North Central. Base Rate Area 2 is composed of North Eastern, Arkansas Valley and Southwestern.

(2) The Company has the following five GCA Rate Areas: North Eastern, Western Slope, North Central, Arkansas Valley, and Southwestern. The GCA rates shown on this tariff sheet are subject to adjustment for changes in Company's cost of gas as provided for by the Gas Cost Adjustment provisions on Sheet Nos. 37-39 of this Tariff. The above GCA rates reflect a gas cost adjustment as follows:

$$\text{GCA Formula: } \frac{\text{Current Gas Cost}}{\$0.5959} + \frac{\text{Deferred Gas Cost}}{\$0.0691} = \frac{\text{GCA}}{\$0.6650}$$

(3) The Customer Charge shall be increased by \$40.00 per month for premises that avail themselves of the Extra Construction Allowance for the duration of the repayment period.

(4) Base rates under this Tariff are adjusted by the Demand Side Management Cost Adjustment per Tariff Sheet No. 13 summarized below:

<u>Demand Side Management Cost Adjustment ("DSMCA")</u>			
<u>Rate Schedule</u>	<u>Percent</u>	<u>Monthly Rate</u>	<u>Volumetric Rate</u>
R-1S	7.21%	\$0.83	\$0.0172
SC-1S	11.50%	\$2.64	\$0.0224
LC-1S	11.50%	\$12.01	\$0.0185
ICD-1S	11.50%	\$21.61	\$0.0111

(5) Base rates under this Tariff are adjusted by the General Rate Schedule Adjustment per Tariff Sheet No. 8A summarized below:

<u>General Rate Schedule Adjustment ("GRSA")</u>			
<u>Rate Schedule</u>	<u>Percent</u>	<u>Monthly Rate</u>	<u>Volumetric Rate</u>
R-1S	4.41%	\$0.49	\$0.0101
SC-1S	4.41%	\$0.97	\$0.0082
LC-1S	4.41%	\$4.41	\$0.0068
ICD-1S	4.41%	\$7.94	\$0.0041

(6) Base rates under this Tariff are adjusted by the Black Hills Energy Assistance Program ("BHEAP") funding fee per Tariff Sheet No. 21 summarized below:

<u>BHEAP Funding Fee</u>	
<u>Rate Schedule</u>	<u>Monthly Rate</u>
R-1S	\$0.31
SC-1S	\$1.29
LC-1S	\$8.34
ICD-1S	\$4.08

Western Slope Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 1)

Rule 4406(b) Itemized Billing Units

Rate Schedule	Volumetric Charges Per Therm Without Storage					Monthly Charge (Per Meter) Without Storage		
	<u>Gas Cost Adjustment</u>					DSMCA	Customer Charge 1/	Total
	<u>Distribution 1/</u>	<u>Commodity</u>	<u>Upstream Pipeline</u>	<u>DSMCA</u>	<u>Total</u>			
R-1	\$0.2383	\$0.3354	\$0.2683	\$0.0172	\$0.8592	\$0.83	\$11.80	\$12.63
SC-1	\$0.1951	\$0.3354	\$0.2683	\$0.0224	\$0.8212	\$2.64	\$24.26	\$26.90
LC-1	\$0.1612	\$0.3354	\$0.2683	\$0.0185	\$0.7834	\$12.01	\$112.75	\$124.76
ICD-1	\$0.0964	\$0.3354	\$0.2683	\$0.0111	\$0.7112	\$21.61	\$192.02	\$213.63
Rate Schedule	Volumetric Charges Per Therm with Storage					Monthly Charge (Per Meter) with Storage		
	<u>Gas Cost Adjustment</u>					DSMCA	Customer Charge 1/	Total
	<u>Distribution 1/</u>	<u>Commodity</u>	<u>Upstream Pipeline</u>	<u>DSMCA</u>	<u>Total</u>			
R-1S	\$0.2383	\$0.3396	\$0.3254	\$0.0172	\$0.9205	\$0.83	\$11.80	\$12.63
SC-1S	\$0.1951	\$0.3396	\$0.3254	\$0.0224	\$0.8825	\$2.64	\$24.26	\$26.90
LC-1S	\$0.1612	\$0.3396	\$0.3254	\$0.0185	\$0.8447	\$12.01	\$112.75	\$124.76
ICD-1S	\$0.0964	\$0.3396	\$0.3254	\$0.0111	\$0.7725	\$21.61	\$192.02	\$213.63

1/ Includes General Rate Schedule Adjustment ("GRSA") pursuant to Sheet No. 8A and the Black Hills Energy Assistance Program ("BHEAP") funding fee pursuant to Sheet No. 21 and in the amount shown on Sheet No. 7B (Note 6 and 7) for the corresponding class of service and type of charge.

North Central Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 1)(1)

Rate Schedule	Sheet Number	Type of Charge	Billing Units	Base Rates	DSMCA (4)	Riders (5)(6)	GCA (2)	Total
R-1	9	Customer(3)	Per Meter	\$11.00	\$0.83	\$0.80	-----	\$12.63
R-1	9	Volumetric	Per Therm	\$0.2282	\$0.0172	\$0.0101	\$0.5890	\$0.8445
SC-1	10	Customer(3)	Per Meter	\$22.00	\$2.64	\$2.26	-----	\$26.90
SC-1	10	Volumetric	Per Therm	\$0.1869	\$0.0224	\$0.0082	\$0.5890	\$0.8065
LC-1	11	Customer(3)	Per Meter	\$100.00	\$12.01	\$12.75	-----	\$124.76
LC-1	11	Volumetric	Per Therm	\$0.1544	\$0.0185	\$0.0068	\$0.5890	\$0.7687
ICD-1	12	Customer(3)	Per Meter	\$180.00	\$21.61	\$12.02	-----	\$213.63
ICD-1	12	Volumetric	Per Therm	\$0.0923	\$0.0111	\$0.0041	\$0.5890	\$0.6965

(1) Base Rate Area 1 is composed of Western Slope and North Central. Base Rate Area 2 is composed of North Eastern, Arkansas Valley and Southwestern.

(2) The Company has the following five GCA Rate Areas: North Eastern, Western Slope, North Central, Arkansas Valley, and Southwestern. The GCA rates shown on this tariff sheet are subject to adjustment for changes in Company's cost of gas as provided for by the Gas Cost Adjustment provisions on Sheet Nos. 37-39 of this Tariff. The above GCA rates reflect a gas cost adjustment as follows:

$$\text{GCA Formula: } \frac{\text{Current Gas Cost}}{\$0.4819} + \frac{\text{Deferred Gas Cost}}{\$0.1071} = \frac{\text{GCA}}{\$0.5890}$$

(3) The Customer Charge shall be increased by \$40.00 per month for premises that avail themselves of the Extra Construction Allowance for the duration of the repayment period.

(4) Base rates under this Tariff are adjusted by the Demand-Side Management Cost Adjustment per Tariff Sheet No. 13 summarized below:

Demand Side Management Cost Adjustment ("DSMCA")			
Rate Schedule	Percent	Monthly Rate	Volumetric Rate
R-1	7.21%	\$0.83	\$0.0172
SC-1	11.50%	\$2.64	\$0.0224
LC-1	11.50%	\$12.01	\$0.0185
ICD-1	11.50%	\$21.61	\$0.0111

(5) Base rates under this Tariff are adjusted by the General Rate Schedule Adjustment per Tariff Sheet No. 8A summarized below:

General Rate Schedule Adjustment ("GRSA")			
Rate Schedule	Percent	Monthly Rate	Volumetric Rate
R-1	4.41%	\$0.49	\$0.0101
SC-1	4.41%	\$0.97	\$0.0082
LC-1	4.41%	\$4.41	\$0.0068
ICD-1	4.41%	\$7.94	\$0.0041

(6) Base rates under this Tariff are adjusted by the Black Hills Energy Assistance Program ("BHEAP") funding fee per Tariff Sheet No. 21 summarized below:

BHEAP Funding Fee	
Rate Schedule	Monthly Rate
R-1	\$0.31
SC-1	\$1.29
LC-1	\$8.34
ICD-1	\$4.08

North Central Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 1)

Rule 4406(b) Itemized Billing Units

Rate Schedule	Volumetric Charges Per Therm					Monthly Charge (Per Meter)		
	<u>Gas Cost Adjustment</u>							
	<u>Distribution 1/</u>	<u>Commodity</u>	<u>Upstream Pipeline</u>	<u>DSMCA</u>	<u>Total</u>	<u>DSMCA</u>	<u>Customer Charge 1/</u>	<u>Total</u>
R-1	\$0.2383	\$0.3599	\$0.2291	\$0.0172	\$0.8445	\$0.83	\$11.80	\$12.63
SC-1	\$0.1951	\$0.3599	\$0.2291	\$0.0224	\$0.8065	\$2.64	\$24.26	\$26.90
LC-1	\$0.1612	\$0.3599	\$0.2291	\$0.0185	\$0.7687	\$12.01	\$112.75	\$124.76
ICD-1	\$0.0964	\$0.3599	\$0.2291	\$0.0111	\$0.6965	\$21.61	\$192.02	\$213.63

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1/ Includes General Rate Schedule Adjustment ("GRSA") pursuant to Sheet No. 8A and the Black Hills Energy Assistance Program ("BHEAP") funding fee pursuant to Sheet No. 21 and in the amount shown on Sheet No. 7D (Note 5 and 6) for the corresponding class of service and type of charge.

Arkansas Valley Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 2) (1)

<u>Rate Schedule</u>	<u>Sheet Number</u>	<u>Type of Charge</u>	<u>Billing Units</u>	<u>Base Rates</u>	<u>DSMCA (4)</u>	<u>Riders (5)(6)</u>	<u>GCA (2)</u>	<u>Total</u>
R-2	9	Customer(3)	Per Meter	\$10.00	\$1.09	(\$0.01)	-----	\$11.08
R-2	9	Volumetric	Per Therm	\$0.2070	\$0.0225	(\$0.0067)	\$0.4146	\$0.6374
SC-2	10	Customer(3)	Per Meter	\$20.00	\$2.36	\$0.64	-----	\$23.00
SC-2	10	Volumetric	Per Therm	\$0.1424	\$0.0168	(\$0.0046)	\$0.4146	\$0.5692
LC-2	11	Customer(3)	Per Meter	\$100.00	\$11.82	\$5.10	-----	\$116.92
LC-2	11	Volumetric	Per Therm	\$0.1165	\$0.0138	(\$0.0038)	\$0.4146	\$0.5411
ICD-2	12	Customer(3)	Per Meter	\$40.00	\$4.73	\$2.78	-----	\$47.51
ICD-2	12	Volumetric	Per Therm	\$0.0702	\$0.0083	(\$0.0023)	\$0.4146	\$0.4908

(1) Base Rate Area 1 is composed of Western Slope and North Central. Base Rate Area 2 is composed of North Eastern, Arkansas Valley and Southwestern.

(2) The Company has the following five GCA Rate Areas: North Eastern, Western Slope, North Central, Arkansas Valley, and Southwestern. The GCA rates shown on this tariff sheet are subject to adjustment for changes in Company's cost of gas as provided for by the Gas Cost Adjustment provisions on Sheet Nos. 37-39 of this Tariff. The above GCA rates reflect a gas cost adjustment as follows:

$$\text{GCA Formula: } \frac{\text{Current Gas Cost}}{\$0.3921} + \frac{\text{Deferred Gas Cost}}{\$0.0225} = \frac{\text{GCA}}{\$0.4146}$$

(3) The Customer Charge shall be increased by \$40.00 per month for premises that avail themselves of the Extra Construction Allowance for the duration of the repayment period.

(4) Base rates under this Tariff are adjusted by the Demand Side Management Cost Adjustment per Tariff Sheet No. 13 summarized below:

<u>Rate Schedule</u>	<u>Demand Side Management Cost Adjustment ("DSMCA")</u>		
	<u>Percent</u>	<u>Monthly Rate</u>	<u>Volumetric Rate</u>
R-2	11.41%	\$1.09	\$0.0225
SC-2	12.58%	\$2.36	\$0.0168
LC-2	12.58%	\$11.82	\$0.0138
ICD-2	12.58%	\$4.73	\$0.0083

(5) Base rates under this Tariff are adjusted by the General Rate Schedule Adjustment per Tariff Sheet No. 8A summarized below:

<u>Rate Schedule</u>	<u>General Rate Schedule Adjustment ("GRSA")</u>		
	<u>Percent</u>	<u>Monthly Rate</u>	<u>Volumetric Rate</u>
R-2	-3.24%	(\$0.32)	(\$0.0067)
SC-2	-3.24%	(\$0.65)	(\$0.0046)
LC-2	-3.24%	(\$3.24)	(\$0.0038)
ICD-2	-3.24%	(\$1.30)	(\$0.0023)

(6) Base rates under this Tariff are adjusted by the Black Hills Energy Assistance Program ("BHEAP") funding fee per Tariff Sheet No. 21 summarized below:

<u>Rate Schedule</u>	<u>BHEAP Funding Fee</u>
	<u>Monthly Rate</u>
R-2	\$0.31
SC-2	\$1.29
LC-2	\$8.34
ICD-2	\$4.08

Arkansas Valley Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 2)

Rule 4406(b) Itemized Billing Units

Rate Schedule	Volumetric Charges Per Therm					Monthly Charge (Per Meter)		
	<u>Gas Cost Adjustment</u>							
	<u>Distribution 1/</u>	<u>Commodity</u>	<u>Upstream Pipeline</u>	<u>DSMCA</u>	<u>Total</u>	<u>DSMCA</u>	<u>Customer Charge 1/</u>	<u>Total</u>
R-2	\$0.2003	\$0.2603	\$0.1543	\$0.0225	\$0.6374	\$1.09	\$9.99	\$11.08
SC-2	\$0.1378	\$0.2603	\$0.1543	\$0.0168	\$0.5692	\$2.36	\$20.64	\$23.00
LC-2	\$0.1127	\$0.2603	\$0.1543	\$0.0138	\$0.5411	\$11.82	\$105.10	\$116.92
ICD-2	\$0.0679	\$0.2603	\$0.1543	\$0.0083	\$0.4908	\$4.73	\$42.78	\$47.51

1/ Includes General Rate Schedule Adjustment ("GRSA") pursuant to Sheet No. 8A and the Black Hills Energy Assistance Program ("BHEAP") pursuant to Sheet No. 21 and in the amount shown on Sheet No. 7F (Note 5 and 6) for the corresponding class of service and type of charge.

Southwestern Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 2) (1)

<u>Rate Schedule</u>	<u>Sheet Number</u>	<u>Type of Charge</u>	<u>Billing Units</u>	<u>Base Rates</u>	<u>DSMCA (4)</u>	<u>Riders (5)(6)</u>	<u>GCA (2)</u>	<u>Total</u>
R-2	9	Customer (3)	Per Meter	\$10.00	\$1.09	(\$0.01)	-----	\$11.08
R-2	9	Volumetric	Per Therm	\$0.2070	\$0.0225	(\$0.0067)	\$0.5951	\$0.8179
SC-2	10	Customer(3)	Per Meter	\$20.00	\$2.36	\$0.64	-----	\$23.00
SC-2	10	Volumetric	Per Therm	\$0.1424	\$0.0168	(\$0.0046)	\$0.5951	\$0.7497
LC-2	11	Customer(3)	Per Meter	\$100.00	\$11.82	\$5.10	-----	\$116.92
LC-2	11	Volumetric	Per Therm	\$0.1165	\$0.0138	(\$0.0038)	\$0.5951	\$0.7216
ICD-2	12	Customer(3)	Per Meter	\$40.00	\$4.73	\$2.78	-----	\$47.51
ICD-2	12	Volumetric	Per Therm	\$0.0702	\$0.0083	(\$0.0023)	\$0.5951	\$0.6713

(1) Base Rate Area 1 is composed of Western Slope and North Central. Base Rate Area 2 is composed of North Eastern, Arkansas Valley and Southwestern.

(2) The Company has the following five GCA Rate Areas: North Eastern, Western Slope, North Central, Arkansas Valley, and Southwestern. The GCA rates shown on this tariff sheet are subject to adjustment for changes in Company's cost of gas as provided for by the Gas Cost Adjustment provisions on Sheet Nos. 37-39 of this Tariff. The above GCA rates reflect a gas cost adjustment as follows:

$$\text{GCA Formula: } \frac{\text{Current Gas Cost}}{\$0.5556} + \frac{\text{Deferred Gas Cost}}{\$0.0395} = \frac{\text{GCA}}{\$0.5951}$$

(3) The Customer Charge shall be increased by \$40.00 per month for premises that avail themselves of the Extra Construction Allowance for the duration of the repayment period.

(4) Base rates under this Tariff are adjusted by the Demand Side Management Cost Adjustment per Tariff Sheet No. 13 summarized below:

Demand Side Management Cost Adjustment ("DSMCA")			
<u>Rate Schedule</u>	<u>Percent</u>	<u>Monthly Rate</u>	<u>Volumetric Rate</u>
R-2	11.41%	\$1.09	\$0.0225
SC-2	12.58%	\$2.36	\$0.0168
LC-2	12.58%	\$11.82	\$0.0138
ICD-2	12.58%	\$4.73	\$0.0083

(5) Base rates under this Tariff are adjusted by the General Rate Schedule Adjustment per Tariff Sheet No. 8A summarized below:

General Rate Schedule Adjustment ("GRSA")			
<u>Rate Schedule</u>	<u>Percent</u>	<u>Monthly Rate</u>	<u>Volumetric Rate</u>
R-2	-3.24%	(\$0.32)	(\$0.0067)
SC-2	-3.24%	(\$0.65)	(\$0.0046)
LC-2	-3.24%	(\$3.24)	(\$0.0038)
ICD-2	-3.24%	(\$1.30)	(\$0.0023)

(6) Base rates under this Tariff are adjusted by the Black Hills Energy Assistance Program ("BHEAP") funding fee per Tariff Sheet No. 21 summarized below:

BHEAP Funding Fee	
<u>Rate Schedule</u>	<u>Monthly Rate</u>
R-2	\$0.31
SC-2	\$1.29
LC-2	\$8.34
ICD-2	\$4.08

Southwestern Colorado
Sales Service Schedule of Rates
(Included in Base Rate Area 2)

Rule 4406(b) Itemized Billing Units

Rate Schedule	Volumetric Charges Per Therm					Monthly Charge (Per Meter)		
	<u>Gas Cost Adjustment</u>							
	<u>Distribution 1/</u>	<u>Commodity</u>	<u>Upstream Pipeline</u>	<u>DSMCA</u>	<u>Total</u>	<u>DSMCA</u>	<u>Customer Charge 1/</u>	<u>Total</u>
R-2	\$0.2003	\$0.3173	\$0.2778	\$0.0225	\$0.8179	\$1.09	\$9.99	\$11.08
SC-2	\$0.1378	\$0.3173	\$0.2778	\$0.0168	\$0.7497	\$2.36	\$20.64	\$23.00
LC-2	\$0.1127	\$0.3173	\$0.2778	\$0.0138	\$0.7216	\$11.82	\$105.10	\$116.92
ICD-2	\$0.0679	\$0.3173	\$0.2778	\$0.0083	\$0.6713	\$4.73	\$42.78	\$47.51

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1/ Includes General Rate Schedule Adjustment ("GRSA") pursuant to Sheet No. 8A and the Black Hills Energy Assistance Program ("BHEAP") funding fee pursuant to Sheet No. 21 and in the amount shown on Sheet No. 7H (Note 5 and 6) for the corresponding class of service and type of charge.

Distribution Transportation Service Schedule of Rates
(Base Rate Area 1)

<u>Rate Schedule</u>	<u>Type Of Charge</u>	<u>Billing Units</u>	<u>Maximum Rate (1)</u>	<u>Minimum Rate</u>	<u>Reference Sheet</u>
RTS-1	Customer	Per Meter	\$11.49	\$11.00	78
RTS-1	Volumetric	Per Therm	\$0.2383	\$0.001	78
SCTS-1	Customer	Per Meter	\$22.97	\$22.00	79
SCTS-1	Volumetric	Per Therm	\$0.1951	\$0.001	79
LCTS-1	Customer	Per Meter	\$104.41	\$100.00	80
LCTS-1	Volumetric	Per Therm	\$0.1612	\$0.001	80
ATS-1	Customer	Per Meter	\$187.94	\$180.00	81
ATS-1	Volumetric	Per Therm	\$0.0964	\$0.001	81

(1) Maximum rate includes General Rate Schedule Adjustment per Tariff Sheet No. 8A as summarized below:

<u>Rate Schedule</u>	<u>General Rate Schedule Adjustment (GRSA")</u>		
	<u>Billing Units</u>	<u>Percent</u>	<u>Rate</u>
RTS-1	Customer	4.41%	\$0.49
RTS-1	Volumetric	4.41%	\$0.0101
SCTS-1	Customer	4.41%	\$0.97
SCTS-1	Volumetric	4.41%	\$0.0082
LCTS-1	Customer	4.41%	\$4.41
LCTS-1	Volumetric	4.41%	\$0.0068
ATS-1	Customer	4.41%	\$7.94
ATS-1	Volumetric	4.41%	\$0.0041

Monthly Administrative Charge\$175

Fuel reimbursement quantity:

Main Line customers.....0.00%
All other customers.....0.66%

Overrun Charges:

Authorized Overrun Charge.....Distribution Charge
Unauthorized Overrun Charge\$ 2.50 per Therm

Distribution Transportation Service Schedule of Rates
(Base Rate Area 2)

<u>Rate Schedule</u>	<u>Type Of Charge</u>	<u>Billing Units</u>	<u>Maximum Rate (1)</u>	<u>Minimum Rate</u>	<u>Reference Sheet</u>
RTS-2	Customer	Per Meter	\$9.689	\$10.00	78
RTS-2	Volumetric	Per Therm	\$0.2003	\$0.001	78
SCTS-2	Customer	Per Meter	\$19.35	\$20.00	79
SCTS-2	Volumetric	Per Therm	\$0.1378	\$0.001	79
LCTS-2	Customer	Per Meter	\$96.76	\$100.00	80
LCTS-2	Volumetric	Per Therm	\$0.1127	\$0.001	80
ATS-2	Customer	Per Meter	\$38.70	\$40.00	81
ATS-2	Volumetric	Per Therm	\$0.0679	\$0.001	81

(1) Maximum rate includes General Rate Schedule Adjustment per Tariff Sheet No. 8A as summarized below:

<u>General Rate Schedule Adjustment (GRSA")</u>			
<u>Rate Schedule</u>	<u>Billing Units</u>	<u>Percent</u>	<u>Rate</u>
RTS-2	Customer	-3.24%	(\$0.32)
RTS-2	Volumetric	-3.24%	(\$0.0067)
SCTS-2	Customer	-3.24%	(\$0.65)
SCTS-2	Volumetric	-3.24%	(\$0.0046)
LCTS-2	Customer	-3.24%	(\$3.24)
LCTS-2	Volumetric	-3.24%	(\$0.0038)
ATS-2	Customer	-3.24%	(\$1.30)
ATS-2	Volumetric	-3.24%	(\$0.0023)

Monthly Administrative Charge\$175

Fuel reimbursement quantity:

Main Line customers.....0.00%
All other customers.....1.47%

Overrun Charges:

Authorized Overrun Charge.....Distribution Charge
Unauthorized Overrun Charge\$ 2.50 per Therm

Other Rate Adjustments:

<u>Description</u>	<u>Service Area</u>	<u>Reference Sheet</u>	<u>Rate Per Therm</u>
Transportation Rate Adjustment (TRA)	North Eastern Colorado	81A	\$0.0341
GT-1 Rate Adjustment	Arkansas Valley Colorado	---	\$0.0069

SCHEDULE OF SPECIAL CHARGES
Applicable to All Service Areas and All Rate Schedules

This schedule is to list the Special Charges referred to in the General Rules and Regulations. These Special Charges apply to all Customers utilizing the services of the Company as defined and described in the General Rules and Regulations.

<u>Sheet Reference</u>	<u>Description</u>	<u>Charge</u>
47	Reconnection Charge	\$ 55.00 during normal business hours \$135.00 after normal business hours, on weekends or holidays
47	Continuing Service Charge	Monthly customer charge times the number of months service was temporarily discontinued
47	Bill Collection Charge	\$ 9.00
47	Insufficient Funds Check Charge	\$ 16.50
47	New Service Fee	\$ 15.00
68	Meter Test Charge	\$ 95.00 for each additional test per Sheet 68

Standard Hourly Service Charge For

Regulated Special Charges

One-hour minimum \$ 55.00

Each additional hour \$ 40.00

After Hours, Weekend and Holiday

Charge for Regulated Special Charges

Two-hour minimum \$135.00

Each additional hour \$ 60.00

**SALES AND DISTRIBUTION TRANSPORTATION SERVICES
GENERAL RATE SCHEDULE ADJUSTMENT
PERCENTAGE SUMMARY TABLE**

Base Rate Area 1:

The charge for gas service calculated under Company's base rate schedules shall be increased by 4.41%.
Said increase shall not apply to charges determined by the Gas Cost Adjustment provision on Sheet No. 37.

Revenue Requirement Increase approved in Proceeding No. 10AL-455G	8.56%
Revenue Requirement Decrease TCJA	<u>-4.15%</u>
Total GRSA	4.41%

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Base Rate Area 2:

The charge for gas service calculated under Company's base rate schedules shall be decreased by -3.24%.
Said increase shall not apply to charges determined by the Gas Cost Adjustment provision on Sheet No. 37.

Revenue Requirement Increase approved in Proceeding No. 10AL-455G	0.91%
Revenue Requirement Decrease TCJA	<u>-4.15%</u>
Total GRSA	-3.24%

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SALES SERVICE RATE SCHEDULE

RESIDENTIAL SALES SERVICE

RATE SCHEDULE R (R-1, R-1S, R-2)

APPLICABILITY

This Rate Schedule is applicable to all Residential Customers within the Company's service territory where natural gas is available. It is not applicable to Distribution Transportation Service or resale service.

RATE

Base Rate Area 1 Customers are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet Nos. 7B through 7E.

Base Rate Area 2 Customers are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet Nos. 7, 7A and 7F through 7I.

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to the Customers of Company receiving service in such municipality. The appropriate franchise tax shall be applied to each Customer's charge and then set forth as a separate item, or surcharge, on that Customer's bill.

GAS COST ADJUSTMENT

This rate is subject to the Gas Cost Adjustment tariff commencing on Sheet No. 37.

BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP) FUNDING FEE

This rate is subject to the BHEAP Funding Fee Tariff commencing on Sheet No. 21.

DEMAND SIDE MANAGEMENT COST ADJUSTMENT

This rate is subject to the Demand Side Management Cost Adjustment tariff commencing on Sheet No. 13.

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

PAYMENT

Bills for gas service are due and payable 15 days from date of bill and service is subject to discontinuance pursuant to the Company's Rules and Regulations. If a Customer is disconnected for non-payment, Customer will be subject to Special Charges, including a Reconnection Charge. For Special Charges refer to Sheet No. 8.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the Customer, and shall not be re-sold or shared by others. Service under this schedule is for the use of Residential Customers only. All services under this schedule are subject to the Company's applicable Rules and Regulations commencing on Sheet No. 40 and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

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SALES SERVICE RATE SCHEDULE

SMALL COMMERCIAL SALES SERVICE
(5,000 therms or less per year)

RATE SCHEDULE SC (SC-1, SC-1S, SC-2)

APPLICABILITY

This Rate Schedule is applicable to all Small Commercial Customers within the Company's service territory where natural gas is available. It is not applicable to Distribution Transportation Service or resale service.

RATE

Base Rate Area 1 Customers are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet Nos. 7B through 7E.

Base Rate Area 2 Customers are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet Nos. 7, 7A and 7F through 7I.

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to the Customers of Company receiving service in such municipality. The appropriate franchise tax shall be applied to each Customer's charge and then set forth as a separate item, or surcharge, on that Customer's bill.

GAS COST ADJUSTMENT

This rate is subject to the Gas Cost Adjustment tariff commencing on Sheet No. 37.

DEMAND SIDE MANAGEMENT COST ADJUSTMENT

This rate is subject to the Demand Side Management Cost Adjustment tariff commencing on Sheet No. 13.

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP) FUNDING FEE

This rate is subject to the BHEAP Funding Fee Tariff commencing on Sheet No. 21.

PAYMENT

Bills for gas service are due and payable 15 days from date of bill and service is subject to discontinuance pursuant to the Company's Rules and Regulations. If a Customer is disconnected for non-payment, Customer will be subject to Special Charges, including a Reconnection Charge. For Special Charges refer to Sheet No. 8.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the Customer, and shall not be re-sold or shared by others; provided, however, that natural gas sold under this schedule may be re-sold for the limited purpose of re-fueling natural gas powered vehicles. Service under this schedule is for the use of Small Commercial Customers only. All services under this schedule are subject to the Company's applicable Rules and Regulations commencing on Sheet No. 40 and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

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SALES SERVICE RATE SCHEDULE

LARGE COMMERCIAL SALES SERVICE
(Greater than 5,000 therms per year)

RATE SCHEDULE LC (LC-1, LC-1S, LC-2)

APPLICABILITY

This Rate Schedule is applicable to all Large Commercial Customers within the Company's service territory where natural gas is available. It is not applicable to Distribution Transportation Service or resale service.

RATE

Base Rate Area 1 Customers are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet Nos. 7B through 7E.

Base Rate Area 2 Customers are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet Nos. 7, 7A and 7F through 7I.

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to the Customers of Company receiving service in such municipality. The appropriate franchise tax shall be applied to each Customer's charge and then set forth as a separate item, or surcharge, on that Customer's bill.

GAS COST ADJUSTMENT

This rate is subject to the Gas Cost Adjustment tariff commencing on Sheet No. 37.

DEMAND SIDE MANAGEMENT COST ADJUSTMENT

This rate is subject to the Demand Side Management Cost Adjustment tariff commencing on Sheet No. 13.

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP) FUNDING FEE

This rate is subject to the BHEAP Funding Fee Tariff commencing on Sheet No. 21.

PAYMENT

Bills for gas service are due and payable 15 days from date of bill and service is subject to discontinuance pursuant to the Company's Rules and Regulations. If a Customer is disconnected for non-payment, Customer will be subject to Special Charges, including a Reconnection Charge. For Special Charges refer to Sheet No. 8.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the Customer, and shall not be re-sold or shared by others. Service under this schedule is for the use of Large Commercial Customers only. All services are subject to the Company's Rules and Regulations commencing on Sheet No. 40 and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, and on file with the Public Utilities Commission of Colorado.

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SALES SERVICE RATE SCHEDULE
IRRIGATION, CROP DRYING OR SEASONAL SALES SERVICE
RATE SCHEDULE ICD (ICD-1, ICD-1S, ICD-2)

APPLICABILITY

This Rate Schedule is applicable to all Irrigation and Crop Drying Customers within the Company's service territory where natural gas is available. Premises having residential services connected at the same premise shall be eligible for service under this rate schedule as long as the residential load connected constitutes a smaller portion of the entire connected load than the load connected for irrigation or crop drying. It is not applicable to Distribution Transportation Service or resale service. The Company's Irrigation Crop Drying or Seasonal Class shall also include seasonal customers. To be included in this class, seasonal customers must not consume natural gas from December 15 through March 15.

RATE

Base Rate Area 1 Customers are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet Nos. 7B through 7E.

Base Rate Area 2 Customers are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet Nos. 7, 7A and 7F through 7I.

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to the Customers of Company receiving service in such municipality. The appropriate franchise tax shall be applied to each Customer's charge and then set forth as a separate item, or surcharge, on that Customer's bill.

GAS COST ADJUSTMENT

This rate is subject to the Gas Cost Adjustment tariff commencing on Sheet No. 37.

DEMAND SIDE MANAGEMENT COST ADJUSTMENT

This rate is subject to the Demand Side Management Cost Adjustment tariff commencing on Sheet No. 13.

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP) FUNDING FEE

This rate is subject to the BHEAP Funding Fee Tariff commencing on Sheet No. 21.

PAYMENT

Bills for gas service are due and payable 15 days from date of bill and service is subject to discontinuance pursuant to the Company's Rules and Regulations. If a Customer is disconnected for non-payment, Customer will be subject to Special Charges, including a Reconnection Charge. For Special Charges refer to Sheet No. 8.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the Customer, and shall not be re-sold or shared by others. Service under this schedule is primarily for the use of Irrigation, Crop Drying or Seasonal purposes only. All services are subject to the Company's Rules and Regulations commencing on Sheet No. 40 and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, and on file with the Public Utilities Commission of Colorado.

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SALES SERVICE SCHEDULE OF RATES
DEMAND SIDE MANAGEMENT COST ADJUSTMENT

1. Demand-Side Management Cost Adjustment (DSMCA)

All sales rate schedules for natural gas service are subject to a Demand-Side Management Cost Adjustment (“DSMCA”) designed to recover direct and indirect costs of gas Demand-Side Management Programs (“DSM Programs”) in accordance with a Commission-approved gas Demand-Side Management Plan, Rules 4750 through 4760 of the Commission’s Rules Regulating Gas Utilities and Pipeline Operators, 4 Code of Colorado Regulations 723-4 (“Gas DSM Rules”), and these Sections 1-4. As specified in the Gas DSM Rules and these Sections 1-4, the DSMCA allows for prospective recovery of approved costs of DSM Programs within the expenditure target approved by the Commission, in order to provide for funding of the Company’s DSM Programs, as well as recovery of Deferred DSMCA Costs and, if approved by the Commission, a DSM bonus. The DSMCA Factor shall be separately calculated and applied to the Company’s base rates for all applicable rate schedules as set forth on Sheet Nos. 7 through 7I.

2. DSMCA Filing

The DSMCA Factor is set on an annual basis, and collected from July 1 through June 30. Each April 1st, the Company will file an application or advice letter to revise the DSMCA Factor. The Company will include in its annual DSMCA filing all pertinent information and supporting documentation as required by the Commission’s Rules, and as specifically set forth in the Gas DSM Rules.

If the projected DSM Program costs change from those used to calculate the currently effective DSMCA cost or if the Company’s Deferred DSMCA Cost balance increases or decreases sufficiently, the Company may file an application to revise its currently effective DSMCA Factor to reflect such changes, provided that the resulting change to the DSMCA Factor equates to a base rate change of at least one cent (\$0.01) per Mcf or Dth. The Company has the burden of proof to justify any interim DSMCA filings and the Commission has the discretion to consolidate the interim DSMCA filing with the next regularly scheduled annual DSMCA filing.

3. Definitions

3.1 *DSM Bonus*. The amount of bonus approved by the Commission in the Company’s annual DSM Bonus application, if any, as set forth in Gas DSM Rule 4760.

3.2 *DSM Period*. DSM Period means a calendar year of a DSM Plan. While the Company’s DSM Plan generally covers three years, unless otherwise specified by the Commission, each calendar year of a DSM Plan is considered to be the DSM Period.

3.3 *DSM Plan*. DSM Plan means the Commission-approved DSM programs, goals, and budgets over a specified period, generally considered in one year increments, as may be proposed by the utility.

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3. Definitions (cont.)

3.4 DSM Program. DSM Program means any combination of DSM measures, information and services offered to customers to reduce natural gas usage set forth in the Company's DSM Plan as approved by the Commission.

3.5 DSMCA Factor. The DSMCA Factor for each service class shall be a percentage adjustment applicable to all base rates for customers receiving service under the applicable rate schedules. The DSMCA factor shall be separately calculated and applied to the utility sales gas base rate schedules of residential and non-residential customers. The DSMCA Factor shall be calculated using the formula set forth in Section 4 below.

3.6 DSMCA Period. The DSMCA shall take effect July 1 of each year for a period of 12 months.

3.7 Interest on Under- or Over-Recovery. The amount of net interest accrued on the average monthly balance (whether positive or negative), is determined by multiplying the monthly balance by an interest rate equal to the Company's Commission-authorized after-tax weighted average costs of capital.

4. DSMCA Factor

4.1 DSMCA Factor Calculation. The DSMCA Factor shall be calculated consistent with Commission Rule 4758, using the following formula:

$$\text{DSMCA Factor} = \frac{(\text{Current DSMCA Costs} + \text{DSM Bonus} + \text{Deferred DSMCA Cost} + \text{LR Value})}{(\text{CFCST} * \text{CUSTSRV} + \text{SFCST} * \text{BASECOM})}$$

where

- CFCST is the forecast number of customers for the next DSM Period;
- CUSTSRV is the monthly service charge;
- SFCST is the forecasted gas sales quantity for the rate schedule in the next DSM Period; and
- BASECOM is the base commodity rate.
- The DSMCA Factor will also include the current DSM Bonus plus any adjustment necessary to previously approved DSM Bonuses.

Current DSMCA Costs means budgeted costs of DSM Programs for the DSM Period at the time of the DSMCA annual filing, as approved by the Commission in order to provide for funding of the Company's DSM Programs.

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SALES SERVICE SCHEDULE OF RATES
DEMAND-SIDE MANAGEMENT COST ADJUSTMENT

4. DSMCA Factor (cont.)

- Deferred DSMCA Cost is the positive or negative difference between the actual cost of DSM Programs, including interest, and the amounts collected from customers under the applicable rate schedules during the prior DSMCA Period.
- LR Value is the sum of multiplying the dollar per therm value, as approved by the Commission, times the annual therms lost from all programs executed during the program year under consideration.

4.2 Prudence review and adjustment of DSM bonus. The DSMCA factor includes the current DSM bonus plus any adjustment necessary to previously approved DSM bonuses. If the Commission finds that the actual performance varies from performance values used to calculate the DSM bonus, then an adjustment shall be made to the amount of DSM bonus award. Any true-up in the DSM bonus will be implemented on a prospective basis.

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SALES SERVICE SCHEDULE OF RATES
DEMAND-SIDE MANAGEMENT COST ADJUSTMENT
RATE RIDER SUMMARY TABLE

Residential Service

R-1, R-1S 7.21%

R-2 11.41%

Non-Residential Service

SC-1, SC-1S 11.50%

SC-2 12.58%

LC-1, LC-1S 11.50%

LC-2 12.58%

ICD-1, ICD-1S 11.50%

ICD-2 12.58%

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Advice Letter No. 310

Fredric C. Stoffel
Issued By

Issue Date: February 8, 2019

Decision or
Authority No. C19-0144

Director - Regulatory
Title

Effective Date: February 12, 2019

BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP)

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1. BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP)

BHEAP is a percentage-of-income-payment plan (PIPP). BHEAP provides low-income energy assistance by offering rates, charges, and services that grant a reasonable preference or advantage to eligible residential low-income customers, as permitted by § 40-3-106, C.R.S. and Rule 4412 of the Commission's Rules Regulating Gas Utilities and Pipeline Operators. The rules that govern the operation of BHEAP, and the applicable rates that recover the associated costs of BHEAP, are described herein.

2. PROGRAM COMPONENTS

BHEAP covers four aspects of energy assistance:

- 2.1 Integration with existing energy efficiency or DSM programs offered by the Company or other entity.
- 2.2 Integration with existing weatherization programs offered by the state of Colorado or other entities.
- 2.3 Integration with Low Income Energy Assistance Program (LEAP) or other existing low-income energy assistance programs.
- 2.4 Consideration of arrearage forgiveness for participants who enter the program, where arrearage credits shall be sufficient to reduce the pre-existing arrearage to \$0.00 over twenty-four months.

3. PROGRAM APPLICABILITY

BHEAP is applicable to active residential customers with verified household incomes at, or below, the current percentage limits established for eligibility in LEAP. LEAP is a county-run, federally funded program supervised by the Colorado Department of Human Services, Division of Low-Income Energy Assistance. The current percentage limits (maximum gross annual income eligible for BHEAP) shall be provided on Tariff Sheet No. 21. Annually, the Company shall file an advice letter or application, as appropriate, revising its tariffs to reflect the current percentage limits for eligibility in BHEAP effective on October 1.

BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP) Continued

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4. ELIGIBILITY AND ENROLLMENT REQUIREMENTS

- 4.1 All BHEAP applicants must be enrolled in LEAP and must provide a valid 10-digit LEAP Household Identification Number on their BHEAP application. The LEAP enrollment for the BHEAP applicant must have occurred within either: (1) the current six-month (November 1 – April 30) LEAP application period; or, (2) the most recently closed six-month (November 1 – April 30) LEAP application period, but provided further that the applicant must apply in the next successive (November 1 – April 30) LEAP application period, for BHEAP eligibility.
- 4.2 All BHEAP applicants must provide all requested information, and sign either: (1) a legible BHEAP application form, or (2) an online BHEAP application form at www.blackhillsenergy.com.
- 4.3 Upon acceptance into BHEAP, Participant agrees to participate in all no-cost, demand side management measures and programs which may be offered by the Company or a state-authorized weatherization agency for the residence, unless the Participant is a renter (tenant) and the landlord withholds any required consent. Further, Company shall refer BHEAP participants with annual natural gas usages exceeding 600 therms to the Colorado Energy Office for energy efficiency and/or weatherization programs offered by the state of Colorado or other entities.
- 4.4 Upon acceptance into BHEAP, Participant agrees to be enrolled in levelized (budget) billing.
- 4.5 All existing Participants must timely reapply and meet eligibility criteria to remain in BHEAP, and the deadline for such action by the Participant is 12 months after the original application was verified. If a Participant does not timely reapply, or no longer meets the eligibility criteria then in effect, the Participant will be removed from BHEAP and, upon subsequent reapplication to BHEAP, will again be subject to the enrollment process described herein.
- 4.6 Verified applications will be ranked in order from lowest household income level (highest priority) to highest household income level (lowest priority) and enrollment will be in order of such ranking as BHEAP funds are available, after payment of BHEAP program costs and after timely enrollment of renewal applicants. Verified applications for which BHEAP funds are not available will be placed on a waiting list and will continue to be ranked with other verified applications as received. Applicants on the BHEAP waiting list must reapply and meet eligibility criteria to remain on the BHEAP waiting list and the deadline for such action is 12 months after the original application was verified. Because enrollment is limited by both the availability of BHEAP funds, and the timely enrollment of renewal applicants, new customers whose applications have been accepted are not guaranteed enrollment in BHEAP.

BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP) Continued

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5. PERCENTAGE-OF-INCOME BURDEN (AFFORDABILITY DETERMINATION)

BHEAP is designed to bring the Participant's energy bill into a more affordable level based on household income level. Table 1, the percentage-of-income burden table, shall be used by the Company to determine benefits under the program for each Participant, where natural gas is the primary heating fuel for the household. The percentage-of-income burden from Table 1 is multiplied by the Participant's full annual bill to determine the affordable portion. The remaining amount of the full annual bill is the non-affordable portion. The BHEAP benefit is a fixed bill credit to forgive the non-affordable portion. The BHEAP benefit is applied as a fixed bill credit, each billing month, because the Participant must be on leveled (budget) billing. The Participant is responsible for all charges in excess of the Participant's BHEAP benefit. The Company shall be solely responsible for estimating a Participant's full annual bill under the program.

Table 1: Percentage-of-Income Burden

Participant's Annual Gross Household Income, as % of Federal Poverty Level	Percentage-of-Income Burden, to determine affordable portion of Participant's full annual bill
$\leq 75\%$	2.0%
$> 75\%$ and $\leq 125\%$	2.5%
$> 125\%$ and $\leq 185\%$	3.0%

Notwithstanding the percentage-of-income burden table provided herein, the minimum monthly payment amounts for Participants, including those with household income of \$0, shall be \$10 a month during program enrollment.

Fixed credits shall be adjusted during a program year in the event that standard residential rates, including commodity or fuel charges, change to the extent that the full annual bill at the new rates would differ from the full annual bill upon which the fixed credits are currently based by 25 percent or more.

BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP) Continued

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6. ARREARAGE CREDITS

Arrearage credits are an additional BHEAP benefit for Participants. Arrearage credits shall apply to pre-existing arrearages. Arrearage credits shall be sufficient to reduce, when combined with participant co-payments, if any, the pre-existing arrearages to \$0.00 over twenty-four months. At all times, when arrearage credits are granted to a BHEAP Participant, these credits shall be conditioned on: (1) the receipt of regular Participant payments each billing month; or (2) a Participant's co-payment toward the arrearages as long as the co-payment does not exceed one percent of gross household income.

Pre-existing arrearages under this subparagraph shall not serve as the basis for the termination of service for nonpayment or as the basis for any other collection activity while the customer is participating in BHEAP.

A Participant may receive arrearage credits under this section even if that Participant does not receive a fixed credit toward current bills, if the Participant enters into, and maintains, participation in levelized (budget) billing.

7. PORTABILITY OF BENEFITS

A BHEAP Participant may continue to participate without reapplication should the Participant change service address but remain within the service territory of the Company; provided further that the Company may make necessary adjustments in the levelized (budget) billing amount to reflect the changed circumstances. A Participant who changes service address and does not remain within the service territory of the Company shall be removed from BHEAP on the effective date of the move.

8. PAYMENT DEFAULT PROVISIONS

At least two missed customer payments will result in removal of the Participant from levelized (budget) billing as well as placement in the Company's regular delinquent collections cycle. A Participant will be subsequently removed from BHEAP upon final billing under a disconnection for non-payment event(s); and, the amount of pre-existing arrearages, if any, shall become due. Upon subsequent reconnection(s) of service, the Customer may re-apply for BHEAP participation subject to the terms and conditions of BHEAP defined herein.

9. COST RECOVERY AND MAXIMUM IMPACT ON NON-PARTICIPANTS

The BHEAP funding fee applies to all retail customer classes except gas transportation. The BHEAP funding fee provides the Company with cost recovery for: (1) program credits applied to Participants' bills, (2) program credits applied to Participants' pre-existing arrearages, (3) program administrative costs, and (4) Commission-sponsored program evaluation costs. The cost recovery is in accordance with Commission Rule 4412 *et seq.*

The Company will continue to review the program for future offsets to cost recovery from sources such as: utility operating costs; changes in the return requirement on cash working capital for carrying arrearages; changes in the cost of credit and collection activities directly related to low-income participants; and, changes in uncollectible account costs for participants.

BLACK HILLS ENERGY ASSISTANCE PROGRAM (BHEAP) Continued

10. LEAP GRANTS

LEAP grants received by the Company, for a BHEAP Participant, shall be applied to the Participant's program credits (non-affordable portion of bill) to offset cost recovery from non-participants.

If the LEAP grant exceeds the Participant's program credits, the Company will apply the overage amount of the LEAP grant: first, to any pre-existing arrearages that continue to be outstanding; and second, to the Participant's account.

11. PROGRAM ADMINISTRATIVE COSTS

Administrative costs shall not exceed ten percent of the total cost of program credits applied against bills for current usage and pre-existing arrearages, or \$10,000, whichever is greater.

12. BHEAP FUNDING FEE

Residential	\$0.31 per bill
Small Commercial	\$1.29 per bill
Large Commercial	\$8.34 per bill
Irrigation, Crop Drying, and Seasonal	\$4.08 per bill

13. FEDERAL POVERTY LEVEL (UPDATED)

BHEAP Benefit Cycle		
One Year, October 1, 2018 through September 30, 2019		
Persons in Family / Household	Federal Poverty Level (FPL) as published in Federal Register Jan. 18, 2018	Maximum Gross Annual Income Eligible for BHEAP (165% of FPL)
1	\$ 12,140	\$ 20,031
2	\$ 16,460	\$ 27,159
3	\$ 20,780	\$ 34,287
4	\$ 25,100	\$ 41,415
5	\$ 29,420	\$ 48,543
6	\$ 33,740	\$ 55,671
7	\$ 38,060	\$ 62,799
8	\$ 42,380	\$ 69,927
For each additional person, add:	\$ 4,320	\$ 7,128

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Fredric C. Stoffel
Issued By

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Advice Letter No. 285

Decision or
Authority No. R16-0058

Jerrad Hammer
Issued By

Director - Rates and Regulatory
Title

Issue Date: February 19, 2016

Effective Date: March 1, 2016

Gas Cost Adjustment

(a) **Description**

Rate schedules for natural gas service are subject to a Gas Cost Adjustment (GCA) to reflect changes in the cost of purchased gas, as provided for herein. Different GCA amounts are applicable to the North Eastern, Western Slope, North Central, Arkansas Valley, and Southwestern areas as listed in Sheet Numbers 5, 5A, 5B, 5C and 5D which correspond to the Schedules of Rates listed on Sheet Numbers 7, 7B, 7B-1, 7D, 7F and 7H.

(b) **Frequency of Change**

The GCA amounts shall be subject to revision annually on November 1, to reflect increases or decreases in gas costs, such as the cost of the gas commodity and Upstream Services. Additional GCA applications may be filed at other times to revise relevant tariff sheets provided that the resulting changes equate to at least one mill (\$0.001) per therm. Said increased or decreased adjustment amounts shall be prorated as of the effective date.

(c) **Determination of GCA Amounts**

The GCA for each service area listed on Sheet Nos. 5, 5A, 5B, 5C and 5D will be determined as follows:

1. The gas supply cost for the period shall be determined by summing the following costs: 1) Forecasted Gas Commodity Cost Component; 2) the Forecasted Upstream Cost Component to be applicable during the GCA Effective Period; and, for the Western Slope GCA Rate Area only, 3) the Forecasted Working Gas Storage Cost Component. The Forecasted Gas Commodity Cost Component shall be the system wide average composite unit cost to the Company for purchasing, gathering, treating, and processing of gas or any other services, fees and taxes assessed, under contract or otherwise, multiplied by the Forecasted Gas Purchase Quantity received or to be received as applicable during the effective GCA period at the Colorado P.U.C. jurisdictional facilities. The Forecasted Upstream Cost Component shall be the cost of transportation and storage, net of any revenues from capacity releases, directly attributable to Company's Colorado jurisdiction during the period and the LSSRS for the Western Slope Rate Area. For the Western Slope GCA Rate Area, the cost of storage shall be assigned to sales customers on a zoned basis such that only those customers requiring peak day capacity from storage will pay rates that include the cost of storage. The Forecasted Working Gas Storage Cost Component shall be the carrying costs associated with the Company's gas storage inventory for its Western Slope GCA Rate Area. The carrying cost shall be determined by applying the weighted average cost of short-term debt to the annual average of the forecasted monthly gas storage inventory balances for the GCA Effective Period. For billing presentation purposes, Working Gas Storage Costs shall be included with Gas Commodity Costs for calculating the GCA effective rate. The Company shall separately identify and account for demand and commodity costs related to each of the above listed gas supply cost categories. For the North Eastern GCA Rate Area, the Forecasted Gas Commodity Cost Component shall include a monthly amortization of Colorado's portion of costs associated with the buyout of a life-of-field gas purchase contract as authorized in Commission Decision No. C16-0067.

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Gas Cost Adjustment – continued

2. The resulting projected gas cost will be divided by the Colorado Jurisdictional Forecasted Sales Gas Quantity (adjusted for deviations from normal and other changes) for the same period.
3. A GCA will be determined annually for the 12 months ended June 30 (The Accumulation Period) by determining the difference between the forecasted cost of gas and the actual cost of gas as was recovered during the accumulation period. The difference will be the amount over- or under-recovered for the accumulation period. This amount, plus any amount not amortized at June 30, relating to prior periods, plus interest, if any, will be amortized over the 12 month period commencing November 1.
4. Rates will be calculated to the nearest tenth of one mill (\$0.0001) per therm in order to reflect the GCA rate adjustments on the same basis as the Company's rates are stated.
5. The Total GCA will be determined using the following formula:

$$\text{Total GCA} = A + B$$

A = Current Gas Cost as calculated in 1 and 2 above.

B = Deferred Gas Cost as calculated in 3 above.

Gas Cost Adjustment – continued

(c) Determination of GCA Amounts - continued

6. Actual Gas Costs include all costs properly included in FERC Accounts 800, 801, 802, 803, 804, 805, 806, 808, 809, and 823. Actual Gas Costs also include all costs and income associated with using various approved risk management tools, including a Commission-approved hedging program.

So long as the Company has a Commission-approved hedging program in place, the Company shall, no later than April 30th of each year, file a report with the Commission as required by the Commission-approved hedging program.

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Fredric C. Stoffel
Issued By

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Director - Regulatory
Title

Effective Date: January 12, 2018

Gas Cost Adjustment – continued

- (d) Interest
Interest will be paid on any over-recovered amounts in accordance with the Commission's GCA rules. The Company will not include interest on under-recoveries except to the extent such interest will offset interest on over-recoveries.
- (e) Treatment of Refunds
Refunds received from the Company's suppliers, including interest received thereon, will be refunded in accordance with all applicable laws and rules set forth by the Commission.
- (f) Information to be filed with the Commission
Each GCA filing will be accomplished by filing an application and exhibits with the Commission as required by Commission GCA rules not less than two weeks prior to the proposed effective date of such filing. Such filing will be accompanied by all such supporting data, schedules, and information as may be required by the Commission from time to time.
- (g) Additional Filings
Beginning in 1998, the Company shall file with the Commission, on or before each June 1, a Gas Purchase Plan (GPP), in accordance with the Commission's rules. The Company shall also file any other reports as may be required by the Commission's GCA rules in compliance with such rules, as modified from time to time.
- (h) Compliance With Commission Rules
The Company's GCA as set forth herein incorporates by reference the Commission's Rules Regarding Gas Cost Adjustment. Where not explicitly stated, the intent of the Commission's rules shall prevail in the event of errors or omissions.
- (i) Transportation Rate Adjustment
Revenues collected through the Transportation Rate Adjustment (TRA) surcharge shown on Sheet No. 7K will be included in the calculation of the Deferred Gas Cost Component of the GCA.
- (j) Litigated Settlement Special Rate Surcharge
The Litigated Settlement Special Rate Surcharge (LSSRS) shall be applied to the Company's Western Slope Gas Cost Adjustment, until the Company has recovered the entire settlement amount authorized for recovery through the LSSRS. The LSSRS shall terminate at the earlier of October 31, 2017 or once the entire settlement amount has been fully recovered by the Company.

The LSSRS shall terminate in the same month that full recovery of the entire settlement amount is completed. At such time, the Company shall file an advice letter to remove the LSSRS from rates.

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SALES SERVICE RATE SCHEDULE

1. DEFINITION AND REQUEST FOR SERVICE.

- 1.1 Definition. Sales Service means a bundled gas utility service in which the Company both purchases gas commodity for resale to the Customer and transports the gas for delivery to the Customer.
- 1.2 Upon request for gas service, the Company shall supply the Customer with gas service under the rate schedules, rules, terms, regulations and conditions contained herein, and as amended from time to time, which apply to the particular type of service for which the request is made. The customer agrees to abide by the Company's rate schedules, rules, terms, tariffs and regulations, as amended from time to time, as a condition of service.

2. THE CUSTOMER.

- 2.1 Only one class of service shall be furnished to an individual or corporation at a single address or location. A single request for service cannot apply to different locations. A single request cannot cover more than one meter.
- a. Residential Sales Service. Residential Sales Service is defined as service provided for domestic general household purposes in a space occupied as living quarters, typically designed for occupancy by one family. Typical service would include, but not be limited to the following: separately-metered units, such as a single private residence, single apartment, mobile home, low income housing unit, nursing home unit, a parsonage paid by the church, low income housing paid by a housing authority, and employee housing paid by the government or business entity. In addition, auxiliary buildings on the same premises as the living quarters, used for residential purposes, will also be considered residential usage.
- b. Small Commercial Sales Service. Small Commercial Sales Service is defined as service provided to non-residential premises such as a business enterprise in a space occupied and operated for non-residential purposes consuming 5,000 therms or less per year. Typical service would include, but not be limited to the following: nursing home, apartments, low income housing complex and a trailer park where natural gas is supplied through one meter, stores, offices, shops, restaurants, sorority and fraternity houses, boarding houses, hotels, service garages, filling stations, hospitals, schools, churches, service organizations, barber shops, beauty parlors, shopping malls, construction, communication, transportation and agricultural activities, excluding irrigation and crop drying as defined below in Section 2.1.d of this Sales Service Rate Schedule. This service shall also include service to industrial activities at non-residential premises used primarily for a process which creates or changes raw or unfinished materials into another form or product including mining, oil and gas extraction, and the generation of electric power.

SALES SERVICE RATE SCHEDULE – continued

- c. Large Commercial Sales Service. Large Commercial Sales Service is defined as service provided to non-residential premises such as a business enterprise in a space occupied and operated for non-residential purposes consuming greater than 5,000 therms per year. Typical service would include, but not be limited to the following: nursing home, apartments, low income housing complex and a trailer park where natural gas is supplied through one meter, stores, offices, shops, restaurants, sorority and fraternity houses, boarding houses, hotels, service garages, filling stations, hospitals, schools, churches, service organizations, barber shops, beauty parlors, shopping malls, construction, communication, transportation and agricultural activities, excluding irrigation and crop drying as defined below in Section 2.1.d of this Sales Service Rate Schedule. This service shall also include service to industrial activities at non-residential premises used primarily for a process which creates or changes raw or unfinished materials into another form or product including mining, oil and gas extraction, and the generation of electric power.
- d. Irrigation, Crop Drying or Seasonal Sales Service. Irrigation service is defined as service provided for pumping water for farm land irrigation purposes from an irrigation well. Crop drying service is defined as service provided for drying grain or crops. Seasonal service is defined as service for customers that must not consume natural gas from December 15 through March 15.

SALES SERVICE RATE SCHEDULE

- 2.2 For the sole purpose of applying Rule 4400 of the Commission’s Rules Regulating Natural Gas Utilities and Pipeline Operators, the following terms shall have the specified meanings:
- a. “Residential Customer” shall mean any customers meeting the definition of “Residential Sales Service” set forth above in Section 2.1.a of this Sales Service Rate Schedule that are served under a sales service rate schedule;
 - b. “Small Commercial Customer” shall mean any customers meeting the definition of “Small Commercial Sales Service” set forth above in Sections 2.1.b of this Sales Service Rate Schedule that are served under a sales service rate schedule;
 - c. “Large Commercial Customer” shall mean a customer taking service meeting the definition of “Large Commercial Sales Service” set forth above in Section 2.1.c of this Sales Service Rate Schedule. Large Commercial customers whose primary use of service is irrigation or crop drying are considered an Agricultural customer for the purpose of applying Rule 4400 of the Commission’s Rules Regulating Natural Gas Utilities and Pipeline Operators. The Commission’s rules pertaining to Small Commercial Customers shall not be applicable to Large Commercial Customers; and
 - d. “Agricultural Customer” shall mean a customer taking service meeting the definition of “Irrigation, Crop Drying or Seasonal Sales Service” set forth above in Section 2.1.d of this Sales Service Rate Schedule. Seasonal customers whose primary use of service is not irrigation or crop drying are not considered an agricultural customer for the purpose of applying Rule 4400 of the Commission’s Rules Regulating Natural Gas Utilities and Pipeline Operators.

SALES SERVICE RATE SCHEDULE - continued

3. CUSTOMER DEPOSITS.

- a. Deposit Requirement. On a non-discriminatory basis, and subject to the terms of Section 9.g of this Rate Schedule, the Company shall determine the requirement for a cash deposit from a Customer using the following criteria:
- i. The Company may request each new Customer to provide information to the Company when a request for service is made to determine if the Customer has previously been a Customer of the Company and to determine the Customer's creditworthiness. The Company may request, but shall not require, a new Customer to provide a social security number.
 - ii. If billing records are available for a Customer who has received previous service from the Company, the Company shall not require that Customer to make a new or additional deposit unless the records indicate recent or substantial past due amounts.
 - iii. The Company shall not require a deposit from a Customer who provides written documentation of a twelve consecutive month good credit history from the utility from which that Customer received similar service. For purposes of this paragraph, the twelve consecutive months must have ended no earlier than sixty (60) days prior to the date of the Customer's application for service for the Company.
 - iv. The Company may, either at the time of the request for service or at any time thereafter, upon five (5) days' written notice, request a security deposit to guarantee payment of current bills. A deposit will be requested if (1) the Company determines that the Customer has previously been a Customer of the Company and the Customer has an outstanding undisputed and unpaid service amount owed to the Company; (2) the Customer attempts to pay a utility bill with an insufficient funds check; (3) the Customer has two past due bills for utility service within a twelve-month period; (4) the Company has discontinued service to the Customer as provided in Section 9 of this Rate Schedule; or (5) the Customer's TransUnion (or its successor) credit score is determined to be 599 or less.
- b. Amount of Deposit
- i. The amount of a required security deposit shall not exceed the amount of an estimated ninety (90) days bill of the Customer for the premise to be served. However, if the Customer pays for service in advance, the deposit shall not exceed an estimated sixty (60) days bill. For purposes of establishing deposit amounts and estimating monthly bills, the Company shall consider the length of the time the Customer can reasonably be expected to take service, past consumption history of the subject premises, end use of the service, consumption history of other similar customers, and any applicable tariffs, rules and regulations.
 - ii. The Company will accept either a guarantor, a surety bond or letter of credit in lieu of a cash deposit, pursuant to the Commission's Rules Regulating Gas Utilities and Pipeline Operators.

SALES SERVICE RATE SCHEDULE - continued

- iii. When it becomes necessary for the Company to demand a deposit or an increased deposit, the Customer may elect to be billed in four (4) equal monthly installments on the Customer's regular gas service bill.
- iv. The security deposit will be applied to amounts owed for gas service for disconnection purposes. Failure to pay the billed security deposit payment shall subject the Customer to procedures for disconnection of service for non-payment.
- v. Simple interest shall be paid by the Company on a deposit. Such interest shall be applied annually to the Customer's account; or upon return of the deposit, for the time the deposit is held by the Company and the Customer is served by the Company.

SALES SERVICE RATE SCHEDULE - continued

- vi. The rate of interest paid on deposits will be as established from year to year by the Public Utilities Commission of the State of Colorado under its Rules Regulating Gas Utilities and Pipeline Operators. The currently effective interest rate is 2.05% per annum. This interest rate shall remain in effect until changed by the Commission. Interest will be paid annually for those customer deposits on file on January 1 of each year or upon refund of the deposit. In the event a deposit is retained for periods longer than twelve months and interest is not paid annually, interest on the deposit amount shall accrue at the new interest rate for the time held in the new interest period.
- vii. Whenever a security deposit is accepted, the Company will issue the Customer a non-assignable receipt stating the Customer's name, place, date and the amount of deposit; the Company's name, address and signature of the Company employee receiving the deposit; current annual interest rate earned on the deposit; and a statement of the terms and conditions governing the use, retention and return of deposits.
- viii. This statement shall provide that deposits taken from a Residential or Small Commercial Customer who makes on-time payments of undisputed bills for utility service for a period of twelve (12) consecutive months shall be promptly credited with interest to the Customer's utility bill or shall be refunded upon Customer request.
- ix. The Company will maintain a record of all deposits received from Customers, showing the name of each Customer, the address of the premises for which the deposit is maintained, the date and amount of the deposit and the date and amount of interest paid.
- x. Deposits taken from all other customer classes of service who make on-time payments of undisputed bills for utility service for a period of twenty-four (24) consecutive months, shall be promptly credited with interest to the Customer's utility bill or shall be refunded upon Customer request.
- c. Transfer of Deposit. Security deposits shall not be transferable from one Customer to another Customer; however, upon termination of the Customer's service, the Company may transfer the deposit for service to that Customer's new service account.
- d. Return of Deposit. Upon termination of a service account, if the deposit is not transferred to a new service account, the Company shall refund the amount of the security deposit, plus accrued simple interest, less any unpaid gas service bills due the Company, to the Customer of record or an authorized representative. If the Company finds it impossible to make the refund due to a lack of knowledge of the Customer's whereabouts, the Company shall retain the deposit until the Customer notifies the Company. The Company will not be obligated to pay interest from the date service is discontinued. Deposits may be returned to the Customer by crediting the deposit and interest to the outstanding amount owed by the Customer or by refunding to the Customer by check. Any non-refundable deposit held by the Company in Colorado for more than one (1) year shall escheat or otherwise be disposed of pursuant to Rule 4403 of the Commission's Rules Regulating Gas Utilities and Pipeline Operators.

SALES SERVICE RATE SCHEDULE – continued

4. INFORMATION TO CUSTOMERS.

- a. The Company shall inform the Customer of any change made or proposed to be made in any term or condition of the Company's service that will affect the quality of the service provided.
- b. Upon request, the Company shall provide the following information to the Customer:
 - (i) A clear and concise summary of the existing rate schedule applicable to each major class of customers for which there is a separate rate;
 - (ii) An identification of each class whose rates are not summarized;
 - (iii) A clear and concise explanation of the existing rate schedule applicable to the Customer. This shall be provided within ten (10) Days of the Customer's request or, in the case of a new Customer, within sixty (60) Days of the commencement of service;
 - (iv) A clear and concise statement of the Customer's actual consumption or degree-day adjusted consumption of gas for each billing period during the prior year, unless such consumption data are not reasonably ascertainable by the Company; and
 - (v) Any other information and assistance as may be reasonably necessary to enable the Customer to secure safe and efficient service.
- c. Transmission shall be by any method as to assure receipt by the Customer of the information required to be provided pursuant to this Rule, including "bill stuffer," periodical or direct mail where the same is mailed to all the Customers.
- d. Any information required to be transmitted pursuant to this Rule shall be printed in English and a specific language or languages other than English where the Company's service territory contains a population of at least ten percent (10%) who speak a specific language other than English as their primary language as determined by the latest U.S. Census information.

5. This Section Reserved for Future Use.

SALES SERVICE RATE SCHEDULE – continued

6. **BILLS, DUPLICATE BILLS, FAILURE TO RECEIVE BILLS.**

Upon request, the Company shall advise the Customer of its approximate billing date each month. If a bill is not received or is lost, the Company shall, upon the Customer's request, issue a duplicate. Failure to receive a bill shall not relieve the Customer from making payment as provided for by the applicable tariff, rules and regulations.

7. **BALANCED BILLING PLAN**

A. The Balanced Billing Plan provides gas customers with a method of paying for natural gas service in a manner that avoids the substantial fluctuations in monthly bills experienced by Customers not participating in the plan.

B. **MONTHLY BILL CALCULATION.** Monthly bills rendered under this Plan will be calculated as follows:

- i. The Company determines the Customer's Average Monthly Bill(AMB), which is rounded to the nearest whole dollar amount and is calculated using the following formulas:

Formula (1):

AMB = Average Daily Cost x number of days in current months' billing period

Formula (2):

Average Daily Cost =
$$\frac{\text{Total Costs}}{\text{\# of days in the Total Costs billing periods}}$$

For the purposes of determining the Average Daily Cost, Total Costs are deemed to be the costs of regulated natural gas service incurred by the Customer over a period of at least three-hundred-sixty (360) days or estimated for the Customer for a period of at least three-hundred-sixty (360) days using the hierarchy set forth in Section 11.3. The Average Daily Cost is a rolling average and will be recalculated each month using the most recent actual or estimated monthly costs (including the current billing period) encompassing a period of at least three-hundred-sixty (360) days.

- ii. The Company determines the Customer's Monthly Bill by adjusting the Average Monthly Bill by four percent (4%) of the Total Deferred Balance applicable to the Customer, rounded to the nearest whole dollar amount. The Total Deferred Balance is the difference between the sum of the prior months' actual Total Costs incurred by the Customer for regulated natural gas service and the sum of prior months' payments made by the Customer for such service.

- iii. To each Monthly Bill, the Company shall add any amounts due from the Customer for regulated or non-regulated natural gas service not reflected in the calculation of the Monthly Bill.

SALES SERVICE RATE SCHEDULE – continued

- C. Qualified customers with less than 360 days of actual usage history at their current premise are allowed to enroll in the Balanced Billing Plan. An estimated average monthly bill will be used to establish the initial AMB. The AMB will be established using the first of the following methods which shall be feasible to obtain 360 days of data:
- 1 – Customer actual cost (usage) history,
 - 2 – Premise actual cost (usage) history, and
 - 3 – Estimated bills based on customer class average.
- D. The provisions of the Balanced Billing Plan are available throughout the year to each Customer receiving natural gas service for domestic and commercial purposes (“eligible Customer”). Notwithstanding the foregoing, such service is not available to Large Commercial, seasonal, or erratic use Customers. Additionally, a Customer’s account(s) which is part of a collective (group) bill is not eligible for the Balanced Billing Plan. In order to qualify for the Balanced Billing Plan, the Customer’s account(s) for which the Balanced Billing Plan is requested would have to be removed from the group bill.
- E. In order to receive service under the Balanced Billing Plan, an eligible Customer must request to be enrolled in the Company’s Balanced Billing Plan. The Balanced Billing Plan may be terminated at any time by the enrolled Customer for any reason or by the Company for any applicable reason described in Section F.
- F. The eligible Customer shall receive service through the Balanced Billing Plan under the following rules:
- i. The Customer’s account must be current and otherwise qualify for enrollment in the Balanced Billing Plan. The customer will be informed at the time of the Customer’s request whether this requirement has been met.
 - ii. Customers who are delinquent cannot qualify for the Plan unless they are able to pay any amounts past due or enter into a Payment Agreement with, and satisfactory to, the Company for any past due amount.
 - iii. Customers enrolled in the Plan will continue to be billed under the Plan provisions until they request removal.
 - iv. If the Balanced Billing Plan is terminated, any amount payable by or due to an eligible Customer shall be billed or credited to that Customer on their next month’s bill.

SALES SERVICE RATE SCHEDULE – continued

- v. Each monthly payment becomes past due on the date specified on the bill pursuant to Section 8(a). An eligible Customer's failure to pay the monthly Balanced Bill by the date specified shall be cause for termination of the Balanced Billing Plan by the Company.
- vi. The election to pay for gas service under the Balanced Billing Plan in no way modifies or revokes the Company's rules, tariffs or regulations regarding penalties and disconnection for nonpayment of gas bills.
- vii. A Customer's eligibility for participation in the Plan shall apply only to the premises then occupied by the Customer. If the premise is vacated by the Customer, the Balanced Billing Plan shall immediately terminate when the Company becomes aware of the vacancy.

8. BILLING AND PAYMENT.

- a. Billing Period. Bills will be rendered monthly at the rates shown in the Company's filed rate schedules and shall be due and payable on the bill due date. The bill due date shall be no earlier than fifteen (15) days subsequent to the billing date indicated on the bill.
- b. Meter Reading.
 - i. Company-Read Meters. The Company shall read gas service meters approximately every thirty days on various dates during the month.
 - ii. Customer Read Meters. Pursuant to an agreement with the Customer, if the regular meter reading is not possible, the Company may request the Customer to read the gas meter at regular intervals approximating a billing period. Each request for a reading by the Customer shall be on a printed form provided by the Company. The form shall contain instructions as to the method of reading the meter. Meter readings may be called in or entered via the Company website. Meter readings by the Customer shall be construed as an estimated bill, which may be used for billing purposes, but such readings shall not be considered final. To verify estimated Customer meter reading billings, the Customer's meter may be read periodically by the Company.

C

SALES SERVICE RATE SCHEDULE - continued

c. Customer Billing.

i. Contents of Bill.

- (1) Among other information, the Customer's bill will show the meter reading at the beginning and the end of the period for which the billing is rendered; the date of the last reading; the date of the bill; the volume of gas supplied; the amount of franchise or similar taxes, sales tax and tax total due; the amount of any additional charges which are past due, collection, connection, or disconnection charges, installment payments, and other utility charges authorized by any tariff or rule; and the net amount of bill. Bills to transportation service Customers also will show (1) the Company's non-gas costs, on a per unit basis, if practicable, and in total, billed to the Customer for the billing period; (2) the Company's gas costs, on a per unit basis if practicable and in total, billed to the Customer for the billing period; and (3) and sufficient information to allow the Customer to derive any per unit rates that were not shown on the bill. Bills to sales service Customers also will show (1) the Company's non-gas costs, on a per unit basis if practicable and in total, billed to the Customer for the billing period; (2) the Company's gas commodity costs (including the component of the GCA that recovers prior over- or under-recoveries of GCA costs), on a per unit basis if practicable and in total, billed to the Customer for the billing period; (3) the Company's upstream services costs, on a per unit basis if practicable and in total, billed to the Customer for the billing period; and (4) and sufficient information to allow the Customer to derive any per unit rates that were not shown on the bill. If the payment is being made pursuant to the Balanced Billing Plan (Section 6), the bill will indicate the accumulated total of actual amounts paid to date as compared to the accumulated total Customer billings determined by the meter usage.
- (2) The Company may include on the bill for utility services other charges for non-regulated services. Non-regulated services are those not authorized by tariff or otherwise specifically regulated by the Commission, including but not limited to, the sale of merchandise, installation or services performed in connection with merchandising and other non-regulated services. Charges for non-regulated services shall be indicated separately from charges for utility service. If a section of the bill includes a charge for a non-regulated service, that section shall indicate to the Customer that the failure to pay the charge for the non-regulated service is insufficient grounds for terminating utility service. If the Customer makes a partial payment on the bill, the Company shall credit payment first to the oldest balance due of any tariff charges, then to special tariffed charges such as insufficient funds check charges as assessed by the bank and insufficient funds check amounts, then to current utility service, then to additional non-regulated utility charges, unless otherwise directed by the Customer.

SALES SERVICE RATE SCHEDULE - continued

c. Customer Billing. (continued)

i. Contents of Bill. (continued)

- (1) Special Charges. A Customer's bill shall also include, as applicable, the following special charges:
- a. Reconnection Charge. The reconnection charge after the Customer's service has been disconnected under Section 9 of this Rate Schedule shall be the Company's standard hourly service charge of \$55.00, pursuant to the Schedule of Special Charges. If the connection takes place after normal working hours, or on a weekend or holiday, the Customer will be charged \$135.00 for the after-hours connection. In addition, the Company may require a security deposit as specified in Section 3 of this Rate Schedule before service is reconnected.
 - b. Continuing Service Charge. A continuing service charge, pursuant to the Schedule of Special Charges, may be assessed when service is discontinued temporarily at the request of the Customer. Service shall be deemed to be discontinued temporarily at the request of the Customer if a former Customer requests reconnection of service within one (1) year at the same location where such Customer had disconnected or terminated previously. The charge will be equal to the number of monthly Customer Charges the Customer avoided while service was disconnected including any applicable Extra Construction Allowance Charges.
 - c. Bill Collection Charge. A bill collection charge of \$9.00, pursuant to the Schedule of Special Charges, may be collected from the Customer when a service call is made for discontinuance of service and Customer avoids discontinuance by payment of the past due bill or by entering into a written payment agreement with the Company.
 - d. Insufficient Funds Check Charge. The Company may require from the Customer a charge of \$16.50, pursuant to the Schedule of Special Charges, as allowed by law, regulation, or by Company policy, for each check returned for insufficient funds or returned for any other reason. In addition to the Company's insufficient funds check charge, the Customer must pay any fee assessed to the Company by the bank.
 - e. New Service Charge. The Company may assess a charge of fifteen dollars (\$15) for establishing service to a new account.

SALES SERVICE RATE SCHEDULE – continued

c. Customer Billing. (continued)

ii. Estimated Bills.

- (1) The Company may estimate the Customer's consumption for a billing period, and bill accordingly, under estimating procedures allowed by rules, regulations and tariffs as necessary. Billings based on estimated usage may be issued including, but not limited to, extreme weather conditions, emergencies, work stoppages, equipment failure, or other circumstances beyond the Company's control which prevent actual meter readings; when the Company is unable to reasonably obtain access to the Customer's premises for reading of the meter after unsuccessful efforts to obtain the Customer reading of the meter such as by mail or by leaving a pre-addressed form which the Customer may use to note the reading; when the Customer does not furnish a meter reading as requested by the Company; or when Section 12, Inaccuracy of Registration and Meter Failure, is applicable.
- (2) When the Company issues a billing based on estimated usage, it shall maintain accurate records concerning such estimates, shall indicate on the billing that the usage was estimated, and shall make any appropriate adjustments upon a subsequent reading of the meter in accordance with Subsection d. The Company may not render a bill based on estimated usage for more than three (3) consecutive billing periods or six (6) months, whichever period is less.

d. Adjusted Bills. All adjusted bills shall show the credit due to the Customer for amounts paid, or shall show the balance due and payable. A credit may be applied against subsequent billings, and if the amount is greater than \$10.00, the Customer may request a refund. When a balance is due and payable to the Company, the Customer may, upon request, pay the amount in equal monthly installments over a period of time mutually agreed upon by the Customer and the Company. The monthly installment period shall not be less than the number of months over which the error occurred or the bills were estimated.

e. Transfer of Account Balance. In the event of discontinuance or termination of service, the Company may transfer any unpaid balance to another active account of the Customer for the same class of service. Notwithstanding, in the event of failure of the Customer to pay a final bill at any metering point, residence or other location, the Company may transfer the unpaid balance to any successive service account opened by the Customer for the same class of service, and the Company may discontinue service, after proper notice, for the nonpayment of the transferred amount.

f. Under-Billing. In the event of under-billings not provided for under Section 13 of this Rate Schedule, the Company may charge for the period during which the under-billing occurred, with such period not to exceed six months. The customer may elect to enter into a payment arrangement on the under-billed amount. The payment arrangement shall be equal in length to the period in which the under-billing lasted, and shall not be subject to interest.

g. Over-Billing. In the event of over-billings not provided for under Section 13 of this Rate Schedule, the Company shall refund for the period during which the over-billing occurred, with such period not to exceed two years. The Customer may elect to receive the refund as a credit to future billings or as a one-time payment, not subject to interest.

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE

- a. The Company may discontinue or refuse service to any Customer for any of the following reasons:
- i. Customer request;
 - ii. Existence of a dangerous condition on or about the Customer's premises; as determined by the Company in its Standard Practices Manual;
 - iii. Past due bill after proper notice has been given;
 - iv. Customer causes, permits, or benefits from an unauthorized use, interference with, or a diversion of service on or about the Customer's premises, after documentation and notification to the Customer - see Section 9.b.;
 - v. Misuse of gas supply by the Customer which causes or may cause an unsatisfactory condition affecting the quality, safety, health or continuity of service to the Customer or other Customers;
 - vi. Resale of or gift of natural gas by the Customer without written consent of the Company;
 - vii. Failure by the Customer to provide previous payment information with the Company, pay a security deposit, pay an additional deposit, or guarantee, as required in Section 3.a.iv of this Rate Schedule;
 - viii. Failure by the Customer to comply with any of the Company's general terms and conditions for gas service or with applicable approved rate schedules, as amended from time to time.
 - ix. Failure by the Customer to comply with curtailment orders issued by the Company;
 - x. Obtaining service by fraud or subterfuge, which includes but is not restricted to, an application for service at a location in the name of another party by a Customer whose account is past due and who continues to reside at the premises;
 - xi. After notification by the Company and during normal working hours (except in an emergency), the Customer refuses to allow authorized Company personnel into the Customer's domicile for purposes of examining the piping, appliances, and other equipment relating to the Company's service; ascertaining connected loads; and in one of the following situations:
 - (1) the Company is responding to a request for service which required that the gas be turned on;
 - (2) the Company has reasonable knowledge of a safety problem inside the domicile and has documented that knowledge, or

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

a. continued

xi. continued

(3) the Company is obligated under the tariff to perform a service (such as switching out a meter), or complete an inspection where the service or inspection requires that the Company representative be inside the domicile.

xii. Company acting in cooperation with Civil Authorities;

xiii. Tampering with or destroying Company facilities;

xiv. Service is restored by someone other than a Company-approved third party when the original cause for proper disconnection has not been cured; or

xv. Any other reason where authority is specifically granted by Colorado statute or Commission Rule, provided, however, that service to residential Customers will not be discontinued under Subsection 9.b. of this section, except when discontinuance is pursuant to Section 9a.i, ii, iv, v, ix, x, xi, xii, xiii, or xiv.

b. Discontinuance of Service.

1. The Company shall not discontinue the service of any Customer for violation of any rule of the Company and/or for non-payment of any sum due for utility service, deposits or other tariffed charges, except in accordance with the Commission's Rules Regulating Gas Utilities and Pipeline Operators.

2. Service shall not be discontinued:

a. for non-payment of any sum due which has not appeared on a regular monthly bill. The due date on the bill must be specifically indicated on the bill and the due date shall be no earlier than fifteen (15) days subsequent to the mailing or delivery of the bill;

b. for non-payment of any sum due which is less than thirty (30) days past due; nor shall any notice of intent to discontinue service be sent with respect to an amount which is not thirty days past due;

c. for non-payment of any sum due, on which payment arrangements have not otherwise been made, with respect to any other account presently or previously held or guaranteed by the Customer, or with respect to which the Customer was a beneficiary of service, unless the amount has first been transferred to the account on which notice may be given and displayed on the regular monthly bill. In such event, the amount transferred shall be considered "due" on the regular due date of the bill on which it first appears as a transfer and shall be subject to notice the same as if it had been billed for the first time. No amount may be transferred unless the accounts are for the same class of service or unless the Customer has previously pledged the one account to secure the other;

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

b. continued

2. continued

- d. for non-payment of any amount due on any other account on which the Customer is or was neither the Customer of record nor a guarantor, unless the Customer is or was a user obtaining service through fraud or subterfuge without the knowledge or consent of the named Customer of record.
- e. for non-payment of any amount due on any other account for which the present Customer is or was the Customer of record, in the event that the Customer provides to the Company convincing evidence that the account was established as a fraud or subterfuge by another user without the Customer's knowledge or consent;
- f. for non-payment of any sum due from a previous occupancy of the premises who was a Customer of record. However, the Company may give notice of intent to discontinue service, as for a rule violation, and upon expiration of the notice may decline to continue to furnish service if the Company believes the service is being obtained by a past due Customer by fraud or subterfuge in any manner. Fraud or subterfuge includes, but is not restricted to, an application for service at a given location in the name of another party by an applicant whose account is past due and who continues to reside or do business at the premises;
- g. for failure to pay any indebtedness except as incurred for utility service rendered by the Company in the State of Colorado;
- h. between 12 noon on Friday and 8:00 a.m. the following Monday, or between 12 noon on the day prior to and 8:00 a.m. on the day following any state, federal or Company observed holiday;

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

b. continued

2. continued

- i. until the Company has made a reasonable effort to give notice of the proposed discontinuance in person or by telephone both to the residential Customer (or to a resident of the Customer's household 18 years of age or older) and to any third party who is listed by the Customer on a third-party notification form. "Reasonable effort" shall be, at a minimum:
 - (i) at least 24 hours prior to the proposed discontinuance to make telephone contact at the telephone numbers that the Customer and any third party requiring notice may provide for the purpose, to remind the Customer of the pending discontinuance and the terms to avoid same; or
 - (ii) at least 24 hours prior to the proposed discontinuance to make personal contact at the location of service to remind the Customer of the pending discontinuance and the terms to avoid same; or having tried and failed to make contact in person, leaving written notice of the attempted contact and its purpose; or
 - (iii) at least one of each of the above-described attempts.
- j. in the event a Customer at any time offers full payment of the amount shown on the notice by money order or bona fide check to a Company employee authorized to receive payment. Any employee dispatched to discontinue service must be authorized to receive payment. This provision shall not preclude the Company, by tariff rule and rate, from making a reasonable charge for a service call; however, payment of the charge shall not be required as a condition to avoid discontinuance;
- k. if a residential Customer pays, on or before the expiration date of the notice, at least one-tenth of the amount shown on the notice and enters into a reasonable installment payment plan with the Company, as elsewhere provided in this rule; or

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

b. continued

2. continued

- I. Safety and Health – Non Discontinuance or Restoral. Service may not be discontinued, or if already discontinued, must be restored, during any period when discontinuance of service would be especially dangerous to the health or safety of the residential Customer or a permanent resident of the Customer's household.
 - (i) Discontinuance of service that would be especially dangerous to the health or safety of the residential household means that discontinuance of service would aggravate an existing medical condition or create a medical emergency for the Customer or a permanent resident of the Customer's household. This shall be deemed to be the case when a physician licensed by the State of Colorado, or a health practitioner licensed by the State of Colorado and acting under a physician's authority, makes a certification and the certification is received by the Company in writing. This certification shall be incontestable by the Company as to medical judgment, although the Company may use reasonable means to verify the authenticity of the certification.
 - (ii) In the event a medical certification is delivered to or received by the Company, the non-discontinuance of service shall be effective for sixty (60) days from the date of the medical certification. One thirty-day extension of non-discontinuance of service may be effected by the delivery to or the receipt by the Company of a second medical certification, prior to the expiration of the initial sixty-day period.
 - (iii) A residential Customer may invoke the provisions of this subsection no more than once during any period of twelve consecutive months, the period is said to begin on the first date the medical certification is presented.

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

b. continued

2. continued

1. continued

(iv) A Customer who invokes this subsection may request an installment payment plan arrangement on or before the last day covered by a medical certification or the extension. A customer who already has entered an installment payment plan arrangement and who has not broken arrangements prior to invoking this subsection may renegotiate the installment payment plan arrangement on or before the last day covered by a medical certification or the extension. A Customer who already has entered an installment payment plan arrangement but has broken arrangements prior to invoking this subsection must pay, on or before the last day covered by the medical certification or the extension, all amounts that would have been paid up to that date had arrangements not been broken, and resume the installment payment plan arrangement, in order to avoid discontinuance of service.

3. Non-Discontinuance of Service – Special Circumstances. If a landlord has signed the Landlord Contract, the Company will automatically transfer service from a tenant's account to the landlord's account should the tenant's account be disconnected, either as requested by the tenant or as a result of collection activities, in order to not disrupt gas service to the property.

4. Additional Conditions Not Sufficient for Discontinuance of Service. The following conditions are not to be considered sufficient cause to discontinue service:

- a. Failure to pay for special services not authorized by tariff or otherwise regulated by the Commission;
- b. Failure of the Customer to pay any or all portions of a bill which is reasonably in dispute, provided that the Customer pays that portion of the bill which is not in dispute;
- c. Termination is during any period which may endanger health because of such factors as weather extremes;
- d. It is on any day in which the Company cannot reconnect service;
- e. There is money owed due to the Company's meter reading or billing error and the Customer enters into and complies with written payment arrangement;

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SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

c. Requirement for Written Notice.

1. Whenever reference is made herein to a notice or other document being mailed or delivered, that phrase shall mean that the notice or other document is either deposited in the United States mail, or physically delivered to the address of the addressee, and does not necessarily include actual physical receipt by the addressee.

2. Written notice of proposed discontinuance of service must be mailed by first class mail, or delivered at least fifteen (15) days in advance of the proposed disconnect date.

3. The notice of discontinuance shall be conspicuous in nature and in easily understood language. The heading of the notice of discontinuance shall be in block capital letters. The heading shall contain, as a minimum, the following warning written in English:

THIS IS A FINAL NOTICE OF DISCONTINUANCE OF GAS UTILITY SERVICE AND CONTAINS IMPORTANT INFORMATION ABOUT YOUR LEGAL RIGHTS AND REMEDIES. YOU MUST ACT PROMPTLY TO AVOID UTILITY SHUT OFF.

The heading and notice shall also be printed in a specific language or languages other than English where the Company's service territory contains a population of at least ten percent (10%) who speak a specific language other than English as their primary language as determined by the latest U.S. Census information.

4. At a minimum, said notice shall advise the Customer:

- a. the reason for the discontinuance of service and the particular rule (if any) which has been violated;
- b. the amount past due for utility service, deposits or other regulated charges, if any;
- c. the date by which an installment payment plan must be entered into or full payment must be received in order to avoid discontinuance of service;
- d. how to contact the Company, without expense to the Customer of a toll call, from within the Company's service area, to resolve any dispute, with respect to the amount or date due, and/or with respect to the violation of any rule;
- e. that the Customer has the right to make an informal complaint to the Commission staff, pursuant to the Commission's Rules Regulating Gas Utilities and Pipeline Operators, by letter, telephone, or in person, and the notice shall provide the Commission's address and phone number;

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

c. continued

4. continued

- f. that the Customer has a right to submit any dispute, concerning the notice, to a formal hearing by filing a written formal complaint with the Commission, as provided for in the Commission's rules, and also to file with the complaint a motion for an order to the Company not to disconnect service pending the outcome of the hearing;
- g. that the Commission may grant the Customer's motion upon the terms that the Commission deems reasonable, including but not limited to the posting of a deposit or bond with the Company or by timely payment of all undisputed charges;
- h. that a residential Customer may avoid discontinuance of service by paying, on or before the expiration date of the notice, at least one-tenth of the amount shown on the notice and entering into a reasonable installment payment plan with the Company to pay the remaining past-due balance in equal monthly installments, according to the provisions of the Commission's Rules Regulating Gas Utilities and Pipeline Operators;
- i. that in the event a residential Customer is unable to pay for service as regularly billed by the Company, or is able to pay for such service but only in reasonable installments and a medical certification is delivered to the Company indicating that discontinuance of service would be especially dangerous to the health or safety of a residential Customer or a permanent resident of the residential Customer's household, that there will not be discontinuance of service for sixty days from the date of the medical certification. One thirty-day extension of non-discontinuance of service may be effected by the delivery to or the receipt by the Company of a second medical certification, prior to the expiration of the initial sixty-day period;
- j. that in the event service is discontinued for non-payment, service may be restored if a residential Customer pays any reconnection and collection charges as may be specifically required in the event of a discontinuance according to the Company's tariff and enters into an installment payment arrangement; or if the Customer presents a medical certification;
- k. that qualified low-income Customers may be able to obtain financial assistance to assist with the payment of the utility bill and that more detailed information on that assistance may be obtained by calling the Company's toll-free number as stated on the notice. Unintentional error, by omission or incorrectness, by the Company in providing such information shall not render the notice void;

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

c. continued

4. continued

l. whether the Company will require, as a condition of avoiding discontinuance or of restoring service if discontinued, payment of special charges, such as reconnection or collection charges; and

m. how and where the Customer can pay or enter into an installment payment plan prior to the discontinuance of service.

5. In the event the Customer has executed a third-party notification form indicating a third party to whom notices of discontinuance are to be sent, written notice also shall be mailed by first class mail or delivered at least fifteen (15) days in advance of the proposed discontinuance date to the third party. The Company shall furnish the third-party notification form to each new residential Customer. The Company shall also inform all residential Customers at least annually of the availability of the third-party notification form and the method of obtaining a copy of the form. The Customer, at their option, may mail or deliver to the Company the third-party notification form, which shall be signed by both the Customer (or his legal representative) and by the third party to be notified in the event of a possible discontinuance of service.

6. Energy Diversion Equipment and Tampering. If any energy-consuming devices are discovered connected before the Company's meter, or if connections or devices of any kind are found installed on the Customer's premises which would prevent the meter from registering the actual amount of energy used, written notice shall be given for the rule violation, giving the Customer fifteen (15) days in which to remove or correct the devices or connections, and advising the Customer of the possibility of an estimated bill for energy consumed but not properly registered. Or, the Company may elect to remove or correct the devices or connections itself. In the latter event, any momentary interruption of service necessary for the purpose of repair or remedy shall not constitute discontinuance, and shall not require advance notice. However, written notice shall be left at the premise, advising the Customer of the nature of the violation, the steps taken by the Company to correct it, and the possibility that the Customer may be billed for estimated consumption not properly registered.

The discovery of a broken seal or any evidence that the meter has been tampered with shall not constitute cause for discontinuance, by itself. Rather, the Company shall mail or deliver a written notice advising the Customer of the discovery, the steps to be taken by the Company to determine whether non-registration of energy has occurred, and the possibility that the Customer may be billed for estimated energy consumed but not registered.

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.
c. continued

7. The foregoing requirements for written notice are not required if one of the following applies:
- a. when, in the opinion of the Company, an immediate discontinuance of service to the premises is imperative for reasons of safety. Such reasons might include a condition or installation of any part of the Customer's or the Company's lines, pipes, apparatus or appliances which is found to be dangerous to life, health or safety of any person;
 - b. when discontinuance is ordered by any properly constituted governmental authority due to violations by the Customer of the ordinances, statutes or regulations applicable to the service. The Company shall not be responsible for ascertaining such conditions;
 - c. when service, having been discontinued by the Company in accordance with this rule, is discovered restored by someone other than the Company and the original cause for the discontinuance has not been cured.
 - d. if the Company discovers any connection or device installed on the Customer's premise which would prevent the meter from registering the actual usage; and
 - e. if the Company discovers that the Company-owned equipment has been tampered with or that service has been diverted.

Remainder of Sheet has been left blank intentionally.

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.
c. continued

8. Multi-Unit Dwellings. In situations involving permanent residents in multi-unit dwellings, or a cluster of dwellings, known by the Company to exist, where the utility service recorded on a single meter is used either directly or indirectly by more than one dwelling unit, the Company shall issue notice as required in Rule 4408(i) of the Commission's Rules Regulating Gas Utilities and Pipeline Operators, except that the notice period shall be thirty (30) days and except that the notice also may include the current bill. Service may be discontinued for failure to pay the amount on the notice, subject to the other provisions of this paragraph 8.a, b, c, d, and e.

- a. No less than thirty (30) days prior to the proposed date of discontinuance, the Company also shall provide written notice to each individual dwelling unit, in the manner set forth in Rule 4408(i) of the Commission's Rules Regulating Gas Utilities and Pipeline Operators. The notice shall state that a notice of discontinuance has been sent to the party responsible for the payment of utility bills for the dwelling; the proposed date of discontinuance; that the occupants of the dwelling units may avoid discontinuance by paying the next new bill in full within thirty (30) days of its issuance and successive new bills within thirty (30) days of issuance; how to contact the Company for additional information or to make arrangements to receive a copy of the next new bill.
- b. The notice to the occupants as described in Rule 4408(i) of the Commission's Rules Regulating Gas Utilities and Pipeline Operators shall be delivered to each dwelling unit or mailed to the addressee or occupant of each unit. In addition, a copy of the notice shall, to the extent possible, be posted in at least one of the common areas of the multi-unit dwelling.
- c. Service may not be discontinued if the party responsible for payment pays the amount on the notice or if the occupants pay each new bill within thirty (30) days of issuance.
- d. The occupants shall not be entitled to installment payments or any payment plan other than paying each new bill in full within thirty (30) days of issuance to avoid discontinuance.
- e. Service may be discontinued, without further notice or attempt at personal contact, for failure of the occupants to pay each new bill within thirty (30) days of issuance.

SALES SERVICE RATE SCHEDULE - continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

d. Restoration of Service. Service must be restored within 24 hours after the Customer satisfies any one of the provisions set forth in this paragraph 9.d., or within 12 hours if the Customer pays any necessary after-hours charges, unless safety or extenuating circumstances prevent restoration. If it is required by the Company's safety standards that the Customer or someone designated by the Customer be at the premise at the time of restoration, then the unavailability of the Customer (or designee) shall be an extenuating circumstance. Service must be restored after the Customer:

1. pays in full the amount shown on the notice, plus any deposit and/or fees as may be specifically required by the Company's tariff in the event of discontinuance of service, or
2. pays, at a minimum, any reconnection and/or collection charges as may be specifically required in the event of discontinuance according to the Company's tariff, enters into a reasonable installment payment plan with the Company, as elsewhere provided in this rule, and makes the first installment payment. This provision shall not apply if the cause for discontinuance was the Customer's breach of arrangements; or
3. presents a medical certification, as elsewhere provided in this rule; or
4. notifies the Company, and the Company confirms, that the cause for discontinuance, if other than non-payment, has been cured.
5. If the Customer requests reconnection of service after hours, the Company shall advise the Customer, prior to reconnection, of any charges that will be incurred by the Customer for the after-hours reconnection and the Customer agrees to pay such charges.
6. Notwithstanding other provisions of Section 9 of this Rate Schedule, the Company will not charge for reconnection of service when the disconnection was made for the Company's purposes.

e. Installment Payment Plan.

1. Installment payment plan arrangements must be made if a residential Customer fulfills one of the following conditions:
 - a. on or before the expiration date of the notice of discontinuance, pays at least ten (10) percent of the amount shown on the notice and enters into installment payment plan arrangements;
 - b. on or before the last day covered by a medical certification or extension thereof, pays at least ten (10) percent of any amount more than thirty (30) days past due and enters into installment payment plan arrangements;

SALES SERVICE RATE SCHEDULE - continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.

e. continued

1. continued

c. if service has been discontinued, pays at least any collection and/or reconnection charges and enters into installment payment plan arrangements, unless such arrangements already have been breached; or

d. if the plan is to pay regulated charges from past billing period and the past due amount arises solely from events under the Company's control, such as billing errors, meter read errors or meter failures.

2. Installment payment plan arrangements must be made with respect to any and all of the following amounts as may be applicable at the time the request for arrangements is made. The total amount on which an arrangement is made shall be referred to as the "arrangement amount." The "arrangement amount" shall include:

a. the unpaid remainder of the amount shown on the notice;

b. any amounts not included in the amount shown on the notice which have since become more than 30 days past due;

c. the current bill. "Current bill" refers to any bill which is past due but is less than 30 days past the due date;

d. any new bill. "New bill" refers to any bill which has been issued but is not past due;

e. any collection fees as provided for in the Company's tariff, whether or not such fees have appeared on a regular monthly bill;

f. any deposit, whether already billed, billed in part, or required according to the Company's tariff due to discontinuance or past due amounts or to establish initial credit. This paragraph shall not apply to deposits required by Company's tariff as a condition of initiating service, but shall apply to deposits required subsequent to initiation of service; and

g. any other charges or fees provided for in the Company's tariff, whether or not such charges have appeared on a regular monthly bill, including but not limited to miscellaneous service charges, collection charges, investigative charges, or insufficient funds check charges.

3. The terms of an installment payment plan arrangement, including a "modified budget billing" arrangement, must be explained and offered to each residential Customer who contacts the Company in response to a notice of discontinuance. Terms for arrangements are set forth in paragraph 9e.5.a., b. and c.

SALES SERVICE RATE SCHEDULE - continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.
e. continued

4. Any Customer who agrees to enter into an installment payment plan arrangement shall be provided a copy of this part 4 of this rule, together with a statement of the payment arrangement as agreed upon by the Customer and the steps the Company will take if the Customer does not abide by the payment plan. The copy and statement must be provided by mail or delivered within seven (7) days after the arrangement is agreed upon. The copy shall include a prominent heading, in English:

YOUR RIGHTS AND RESPONSIBILITIES CONCERNING INSTALLMENT PAYMENT PLAN ARRANGEMENTS

The heading shall also be printed in a specific language or languages other than English where the Company's service territory contains a population of at least ten percent (10%) who speak a specific language other than English as their primary language as determined by the latest U.S. Census information.

5. Installment Plan Arrangement. An installment payment plan arrangement shall consist of equal monthly installments over a period of time selected by the Customer, up to six (6) months. The amount of the monthly installment payment shall be the arrangement amount divided by the number of months over which the payments are to be made.
- a. The first monthly installment payment shall be due, together with the new bill unless the new bill has been made part of the arrangement amount, on the due date of the new bill.
- b. The second and succeeding monthly installment payments shall be due, together with the new bill, on the due date of the new bill.
- c. As an alternative payment arrangement, the Customer may choose a modified "budget billing" arrangement, under which the arrangement amount shall be added to the preceding year's total billing to the Customer's premises, modified as necessary for increases in base rates or cost adjustments, and the resulting total shall be divided into equal monthly installment payments to be billed as other "budget billing" accounts are billed, in eleven (11) equal monthly payments followed by a settlement billing in the twelfth month.
6. Any monthly installment payment or modified budget billing payment not paid on the due date of the new bill shall be considered "in default." Any new bill which is not paid by the due date shall be considered "past due."

SALES SERVICE RATE SCHEDULE - continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.
e. continued

7. In the event a monthly installment payment becomes in default and/or a new bill becomes past due, the Company shall mail or deliver a written notice, with a heading in English:

NOTICE OF BROKEN ARRANGEMENTS.

The heading shall also be printed in a specific language or languages other than English where the Company's service territory contains a population of at least ten percent (10%) who speak a specific language other than English as their primary language as determined by the latest U.S. Census information.

This notice shall advise the Customer, at a minimum:

- a. that service may be discontinued if the monthly installment payment is not received by the Company within ten (10) days after the notice is sent or delivered;
 - b. that service may be discontinued if payment for the current bill is not received by the Company within thirty days after its due date;
 - c. that if service is discontinued, the Company may decline to provide further service until all amounts more than thirty days past due have been paid, together with any collection or reconnection charges; and
 - d. that the Customer has certain rights if the Customer or a member of Customer's household is seriously ill or has a medical emergency.
8. Service may be discontinued to a Customer whose monthly installment payment remains in default after the fifteenth (15th) day following the mailing or delivery of a notice of broken arrangements or whose current bill becomes more than thirty days past due and to whom a notice of broken arrangements has been mailed or delivered, unless the Customer presents a medical certification, as elsewhere provided in this rule.

SALES SERVICE RATE SCHEDULE – continued

9. CONDITIONS FOR REFUSAL OF OR DISCONTINUANCE OF SERVICE – contd.
e. continued

9. If service is discontinued for broken arrangements, the Company may decline to restore service until all amounts more than thirty days past due have been paid, together with any collection and/or reconnection charges and interest as may be provided for in the Company's tariff. However, discontinued service must be restored if the Customer presents a medical certification, as elsewhere provided in this rule. Service may be discontinued without further notice upon the expiration of such medical certification, or extension thereof, and the terms for restoration shall be the payment of all amounts more than thirty days past due, together with any collection and/or reconnection charges and interest as may be provided for in the Company's tariff.
10. A customer whose monthly installment payment is not in default and whose new bill is not past due may renegotiate an installment payment plan arrangement. A renegotiated installment payment plan arrangement may consist of a lesser installment payment amount to be paid in a greater number of months, provided that the original arrangement amount is paid in no more than six (6) months from the date the original installment payment plan arrangement was entered into.
11. Nothing in this rule shall be construed as to prevent the Company from offering any other installment payment plan arrangement terms to avoid discontinuance or terms for restoration, when the offer is at least as favorable to the Customer as the terms and conditions set forth in this rule or to which the Customer agrees.

f. Termination at the Customer's Request. The Company shall make every reasonable effort to terminate the Customer's service on the day requested by the Customer. If the termination will occur after normal working hours due to the Customer's request, the Company will advise the Customer that Customer will be charged \$135.00 for the after-hours termination.

g. Refusal to Serve Applicant.

- i. The Company may refuse to provide service to an applicant who has an outstanding unpaid bill with the Company incurred for utility service within the State of Colorado until the applicant pays in full or enters into a satisfactory written payment arrangement. In the event the amount is in dispute, the applicant shall make a special deposit in the amount of the disputed amount, and service will be rendered immediately. Upon settlement of the dispute, any amount owed the Customer will be promptly refunded.
- ii. The Company may decline to serve a prospective Customer or to change materially the service to an existing Customer, if, in the best judgment of the Company it does not have adequate facilities to render the service applied for or if the desired service appears to be unsafe, or is of a character that is likely to adversely affect service to another Customer.

SALES SERVICE RATE SCHEDULE – continued

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SALES SERVICE RATE SCHEDULE – continued

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Advice Letter No. 285

Decision or
Authority No. R16-0058

Jerrad Hammer
Issued By

Director - Rates and Regulatory
Title

Issue Date: February 19, 2016

Effective Date: March 1, 2016

SALES SERVICE RATE SCHEDULE - continued

10. CUSTOMER PIPING, FIXTURES AND APPLIANCES

- a. All gas piping, appurtenant facilities and gas-burning appliances or equipment located downstream of the service line, as defined in Section 18.a. of this Rate Schedule, and located at or within the Customer's property or premises shall be owned, maintained and controlled in a good and safe condition solely by the Customer and/or premises' owner in accordance with municipal regulation, the National Fuel Gas code, Company's rules, tariffs, terms, regulations and other applicable laws and regulations as amended from time to time. Except as otherwise required by law, the Company does not undertake to, or assume the obligation for, the inspection, testing, maintenance, or repair of equipment or facilities not owned by the Company. The Company may refuse to connect or continue service until the Customer remedies or corrects faults or defects involving Customer-owned facilities.
- b. The customer shall install and maintain the gas piping, fixtures and appliances on the Customer's premises either in accordance with the ordinances of the city in which the Customer is located or in accordance with the Company's standards. The Company may terminate service to the Customer immediately and shall give written notice of any defective Customer owned facility or unsafe conditions which may impair service or may result in injury or damage to any person or property. Refer to the Company's yellow tag and red tag procedures in the Company's Standards Practices Manual.
- c. The Company assumes no responsibility for the inspection and/or repair of defects in the Customer's piping, fixtures or appliances on the Customer's premises and will not be responsible for any injury, loss or damage resulting from such defects or improper installation, except where such loss, damage or injury is the result of the Company's sole active negligence or willful misconduct; see Section 16.a. below.

SALES SERVICE RATE SCHEDULE - continued

11. DELIVERY PRESSURE OF GAS.

All gas will be delivered at the outlet side of the Company's meter at a pressure of not more than four (4) ounces per square inch gauge pressure. The average atmospheric pressure listed by the United States Weather Bureau will be used to establish the absolute pressure; provided, however, that gas delivered to Customers who use large volumes and require a pressure in excess of four (4) ounces shall be delivered at the pressure established by the Company for that particular installation.

12. HEATING VALUE OF GAS.

The minimum heating value (BTU) of natural gas distributed by the Company shall not be less than 950 BTU, dry base conditions and 14.73 pounds per square inch.

13. INACCURACY OF REGISTRATION AND METER FAILURE.

- a. Should any meter be found to be running more than one percent fast when passing gas at 20 percent of its rated capacity at one-half inch water column differential, or should any rotary displacement type gas service meter in a size having a rated capacity of more than 5,000 cubic feet per hour be found to be more than one percent fast when passing gas at ten percent of its rated capacity or found to be one percent fast when passing gas at 100 percent of its rated capacity, the Company will refund $\frac{1}{2}$ of the excess charge for the period dating from the discovery of the meter error back to the previous meter test, with such period not to exceed two years.
- b. Should any meter be found to be running more than one percent slow when passing gas at 20 percent of its rated capacity at one-half inch water column differential, or should any rotary displacement type gas service meter in a size having a rated capacity of more than 5,000 cubic feet per hour be found to be more than two percent slow when passing gas at ten percent of its rated capacity or found to be one percent slow when passing gas at 100 percent of its rated capacity, the Company will charge for $\frac{1}{2}$ of the under-billed amount for the period dating from the discovery of the meter error back to the previous meter test, with such period not to exceed six months.
- c. Should any meter be out of service, not register, register intermittently, or partially register for any period, the Company shall estimate a charge for gas used, but not metered, for a period not to exceed six months, based upon the best data available, using the first of the following methods which shall be feasible:
 - (1) By using the registration of any check meter or meters if installed and accurately registering;
 - (2) By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation; or
 - (3) By estimating the quantity of gas usage comparing gas usage during a preceding or subsequent period under similar conditions, taking into account heating degree days, when the meter was registering accurately.

SALES SERVICE RATE SCHEDULE – continued

- d. The periods set out in subparagraphs a, b and c, above, shall commence on the earlier of either (1) the date on which the Customer notifies the Company or the Company notifies the Customer of a meter or billing error, or (2) the date on which the Customer informs the Company of a billing or metering error dispute or makes an informal complaint to the External Affairs section of the Commission.
14. CUSTOMER METER TEST REQUESTS. If the Customer requests a test of the accuracy of the Company's meter, the following provisions shall apply:
- a. The Company shall test the accuracy of any gas meter upon request of a Customer. The test shall be conducted free of charge if the meter has not been tested within the twelve month period prior to such requests and if the Customer agrees to accept the results of such test for the purposes of any dispute or informal complaint regarding the meter's accuracy; otherwise the Company may charge a fee for performing the test. The company shall provide a written report of the test results to the Customer and shall maintain a copy on file for at least two years.
- b. Should a Customer request and receive a meter test and continue to dispute the accuracy of a meter, upon Customer's written request to the Company, the Company shall make the disputed meter available for independent testing by a qualified meter testing facility of the Customer's choosing. The Customer is not entitled to take physical possession of the disputed meter. To be a qualified meter testing facility, the testing facility must be capable of testing the meter to meet all meter standards and requirements of the CPUC rules.
- c. If, upon completion of an independent test the disputed meter is found to be accurate within one percent when passing gas at 20 percent of its rated capacity at one-half inch water column differential, or a rotary displacement type gas service meter in a size having a rated capacity of more than 5,000 cubic feet per hour is found to be accurate within two percent slow or one percent fast when passing gas at ten percent of its rated capacity and found to be accurate within one percent slow and one percent fast when passing gas at 100 percent of its rated capacity, the Customer shall bear all costs associated with conducting the test. If, upon completion of an independent test as prescribed, the disputed meter is found to be inaccurate beyond the limits prescribed, the utility shall bear all costs associated with conducting the test.
15. INSPECTION BY COMPANY.
- a. The Customer, when notified in advance, at reasonable hours, and pursuant to Subsections b. and c. of this Section, shall permit authorized employees and inspectors of the Company, when properly identified, to enter upon and into the Customer's premises for the purpose of inspecting or repairing Company facilities and lines, conducting leak and cathodic protection surveys; visually examining the piping, appliances, and other equipment relating to the Company's service; ascertaining connected loads; or making other safety tests or inspections required by state or federal regulations.
- b. The Company may not enter into the Customer's domicile pursuant to this section unless the Customer permits the Company to enter.
- c. If the Customer refuses to allow the Company onto the premise, or into the domicile, in the situation delineated in Section 9.a.xi,1-3, the Company may, at its discretion and pursuant to the provisions of Section 9, discontinue or refuse service to the Customer.

SALES SERVICE RATE SCHEDULE - continued

16. LIABILITY.

- a. The Company shall not be liable for any (1) injury to person, and/or (2) damage to or destruction of any property, resulting directly or indirectly from defective piping or appliances owned and controlled by Customer, unless a Company employee, in their official capacity, activates or continues service to the Customer with actual knowledge of such a defect or having had the opportunity, through the exercise of such reasonable care as a person with the ordinary skill and competence of a member of the Company employee's profession, to acquire the knowledge of such a defect.
- b. Company shall not be liable for injury to persons or damage to Customer's property caused by acts of God, fires, floods, strikes, riots, earthquakes, avalanches, war or any accident or contingency beyond its control.
- c. Customer shall be responsible for any damage to, or loss of, Company's property located upon Customer's premises caused by or arising out of carelessness, negligence, misuse, or interference by the Customer, the Customer's Agents or employees, or other persons not authorized by the Company. The cost of making good such loss or repairing such damage shall be paid by the Customer.
- d. Customer shall hold the Company harmless and indemnify it against all liability for injury to persons or damage to property occurring on Customer's piping, unless as to such incident a Company employee failed to exercise that degree of care which a reasonably careful person with the ordinary skill and competence of a member of the employee's profession would have exercised under the same or similar circumstances. In such event liability will be apportioned between Company and Customer in accordance with the degree of fault of each.

17. INTERRUPTION OF SERVICE.

- a. Company will exercise reasonable diligence and care to furnish the delivery of a continuous and sufficient supply of gas to Customer, and to avoid any shortage or interruption of delivery. Customer has been advised of, and the hazards of continuity of service are recognized by Customer and duly considered before utilizing Company's service. Company will not be liable for interruption, shortage or insufficiency of supply of gas, or any loss or damage occasioned thereby, if same is caused by accident, acts of God, floods, fire, strikes, riots, earthquake, avalanche, war or any other cause or contingency beyond its control.
- b. Company, whenever it shall find it necessary for the purpose of making repairs or improvements to its system, will have the right to temporarily suspend the delivery of gas. In such cases, the company shall make every reasonable effort to restore the service as soon as practicable. Interruptions in service shall not relieve the Customer from any charges for service actually rendered.

SALES SERVICE RATE SCHEDULE - continued

18. COMPANY AND CUSTOMER PIPING.

a. Definitions

- i. Mains – The natural gas distribution line that serves, or is designed to serve as a common source of supply for more than one Service Line.
- ii. Service Line – A Company-owned natural gas distribution line that transports gas from a main to an individual Customer, to two adjacent or adjoining residential or small commercial Customers, or to multiple residential or small commercial Customers served through a meter header or manifold. A Service Line ends upstream of the meter, with the exception that under specifically identified instances where a Service Line is downstream of the meter, the Service Line ends at the outlet of the riser that is the connection to Customer Piping.
- iii. Customer Piping – Customer-owned above ground or below ground piping located downstream of the outlet of the Service Line, or the outlet of the meter whichever is farthest downstream.

b. Customer Piping

- i. Customer shall be responsible for all costs relating to maintenance of Customer Piping. The owner of the piping and/or facilities shall be responsible for arranging and paying for any required maintenance and repair of said piping and/or facilities and all materials, installation and work performed must comply with all applicable laws and regulations. The owner of the piping and/or facilities shall provide the Company with an assurance acceptable to the Company that all materials, installation and work performed comply with all applicable specifications, laws and regulations before gas service will be restored or continued. The Company shall have no duty to inspect work performed by anyone other than the Company.
- ii. The private owner of any Customer Piping and/or facility shall be solely responsible for the loss or escape of any gas from said Customer Piping and/or facility, and shall be responsible for any resulting fire, explosion, injury or damage caused thereby. Nothing in this tariff provision or regulations shall be construed to impose any liability on the Company for the loss or escape of gas from any Customer Piping or facility, or for any injury or damage caused thereby or otherwise related to any Customer-owned piping or facility.

SALES SERVICE RATE SCHEDULE - continued

18. COMPANY AND CUSTOMER PIPING – continued

iii. The following conditions apply to replacement of Service Lines:

- (1) For North Eastern, North Central and Western Slope areas, any Service Line installed prior to January 1, 1992 will be owned and maintained by the Customer until such time as the Service Line needs to be replaced at which time the customer will be informed of installation requirements and that the new Service Line will be installed, owned and maintained by the Company. Any required Customer Piping will remain the responsibility of the Customer. The Company is responsible for maintenance and replacement of all existing Customer-owned Service Lines installed before January 1, 1992. Replacement costs in excess of the Construction Allowance shall be billed to the Customer;
- (2) For Arkansas Valley and Southwestern areas, any Service Line installed prior to July 24, 2003 will be owned by the Customer until the Service Line needs to be replaced, at which time the new Service Line will be installed, owned and maintained by the Company. Any required Customer Piping will remain the responsibility of the Customer. The Company is responsible for maintenance and replacement of all existing Customer-owned Service Lines installed before July 24, 2003. Replacement costs in excess of the Construction Allowance shall be billed to the Customer.

c. Service Lines. The Company will own, install, and maintain all Service Lines subject to the following conditions or requirements:

- i. When a Service Line needs to be replaced, the Company shall notify the Customer of the anticipated date of work and the general concerns of the crew doing the work;
- ii. The Customer shall be responsible for obtaining an easement from a third party if a planned Service Line will cross the property of a third party. The easement shall be granted to the Company, not to the Customer securing the easement for the Company;
- iii. The maximum Company investment for replacement of customer owned service lines shall be the amount specified for main and service line extensions in the Customer Service Connection, Service Line and Main Extension Policy.

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SALES SERVICE RATE SCHEDULE - continued

19. CUSTOMER SERVICE CONNECTION, SERVICE LINE AND MAIN EXTENSION POLICY.
(Applicable to All Rate Schedules)

- a. Meters and Regulators. Within the Company's service territory, the Company shall, at its expense, install meters and meter connections. The meters and meter connections always remain the property of the Company and may be removed when the service is terminated for any cause.
- b. Main and Service Line Extension Policy.
 - i. Within the Company's service territory, the Company shall make such reasonable, economically viable extensions of the Mains and/or Service Lines from time to time consistent with the construction allowance as warranted by expansion and development of demand, subject to the Customer's compliance with any prior contractual relationships involving the Company. The Company shall apply its Extension Policy in a non-discriminatory manner to all applicants under similar circumstances and conditions.
 - ii. Any and all contractors used for excavation, backfill, or construction of Service Lines or Main extensions owned or operated by the Company must be approved by the Company. Installation will be performed by the Company or a Company-approved, DOT-qualified third party contractor.
 - iii. The Company shall bear the expense of any required maintenance, repair, or replacement of pipeline or facilities owned by the Company.
 - iv. The Main and Service Line Extension Policy shall not apply to Customers behind a master meter system.
 - v. The Customer will be responsible for all Main and/or Service Line extension costs in excess of the Regular and Additional Regular Construction Allowances. In addition, the Customer and Company may sign a three-year agreement covering Advances for Construction for costs paid to the Company for Main and/or Service Line extensions. The additional costs paid to the Company may be refundable for the three-year period in the amount stipulated in the agreement for each subsequent Customer connected to the same extension, provided however that the refunds will not exceed the total amount of the contribution in advance to construction.
 - vi. The Customer specifically agrees that the Company may make additional extensions from the original extension, and the Company shall have the right and privilege to do so without any refund obligation whatsoever to the Customer.

SALES SERVICE RATE SCHEDULE - continued

19. CUSTOMER SERVICE CONNECTION, SERVICE LINE AND MAIN EXTENSION POLICY – continued

b. Main Extension Policy – continued

- vii. In all cases where it is deemed desirable or necessary by the Company to construct a Main extension of greater capacity than that which is required for Customer in order to conform to future plans of the Company, the excess construction cost of the Mains shall be borne by the Company.
- viii. REGULAR CONSTRUCTION ALLOWANCE. The Regular Construction Allowance for new Main and/or Service Line extensions offered to new Customers within the service territory for Mains and/or Service Lines where the home or structure has primary gas heat and gas water heating or has gas appliance(s) with comparable typical expected annual usage on the Company's system will be limited to:

Base Rate Area 1: \$790.00

Base Rate Area 2: \$830.00

Customers shall pay any costs (including installation) in excess of the Regular Construction Allowance.

- ix. ADDITIONAL REGULAR CONSTRUCTION ALLOWANCE. The Customer may qualify for Additional Regular Construction Allowance from the Company if the Customer has an expected annual usage in excess of the minimum described below.

- (1) For Base Rate Area 1, the Additional Regular Construction Allowance will be calculated at rate of \$2.40 per therm of estimated additional annual usage in excess of the 757 therms.
- (2) For Base Rate Area 2, the Additional Regular Construction Allowance will be calculated at rate of \$2.20 per therm of estimated additional annual usage in excess of the 760 therms.

The Additional Regular Construction Allowance shall be made on a sound economic basis and applied in a non-discriminatory manner to all applicants under similar circumstances and conditions.

SALES SERVICE RATE SCHEDULE – continued

- x. EXTRA CONSTRUCTION ALLOWANCE. An Extra Construction Allowance for new Main and/or Service Line extensions offered to new Customers within the service territory shall be available in an amount up to a maximum of the cost of connection exceeding the sum of both the Regular Construction Allowance and the Additional Regular Construction Allowance, but not to exceed the Regular Construction Allowance by:

Up to \$1,925 for Customers selecting the \$20 per month Extra Construction Allowance Charge,
Up to \$2,885 for Customers selecting the \$30 per month Extra Construction Allowance Charge,
Up to \$3,845 for Customers selecting the \$40 per month Extra Construction Allowance Charge, or
Up to \$4,805 for Customers selecting the \$50 per month Extra Construction Allowance Charge.

where:

- (1) The cost of connection exceeds the Regular Construction Allowance and any applicable Additional Regular Construction Allowance;
- (2) Customer shall pay any costs (including installation) in excess of the sum of the applicable Regular Construction Allowance (in the event that the Customer is eligible for the Regular Construction Allowance) and the Extra Construction Allowance; and
- (3) Only the property owner at the address requesting service is eligible to contract for the Extra Construction Allowance;
- (4) The Company shall establish a reimbursement schedule to recover the costs of providing the Extra Construction Allowance, with the reimbursement period not to exceed 180 months and with the cost of recovery calculated to account for the time value of money at a rate equal to the Company's Commission authorized rate of return on ratebase of 8.26 percent;
- (5) Customers have the option to make lump sum pay off of any remaining balance associated with the Extra Construction Allowance at any time. When requested by a Customer, the Company will calculate the lump sum payment amount based upon the remaining unpaid Extra Construction Allowance on a specified payment date. A lump sum payment made in full on or before the date specified by the Company will eliminate the Customer's obligation to make further Extra Construction Allowance payments; and
- (6) The liability for the Extra Construction Allowance Charge remains with the premise, such that in the event a new customer becomes responsible for paying the Company for service at that premise, that new customer will assume the responsibility for reimbursing the Company for the Extra Construction Allowance Charge. The Company will notify any subsequent Customer upon request for service when that Customer's premise is subject to the Extra Construction Allowance Charge.

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SALES SERVICE RATE SCHEDULE – continued

20. RIGHTS OF WAY AND EASEMENTS

A request for natural gas service, or a contract for natural gas service, or receipt of natural gas service by a Customer, shall be construed as an agreement by the Customer granting to Company a right-of-way or an easement, at no cost or expense to Company, for the installation, operation, maintenance or replacement of the service line, including but not limited to Company's gas line piping, meter, meter connection, regulator or other equipment required to supply gas service to Customer, with the full right of ingress and egress to such property.

Unless a greater right-of-way or easement is required by Company, the right-of-way or easement is five (5) feet on either side of the centerline of the installed service line. If requested by Company, Customer shall execute Company's standard form of right-of-way or easement agreement in a recordable form, granting to Company satisfactory rights-of-way or easements for suitable location of Company's mains, services, meters and metering equipment and other appurtenances on or across property or lands owned or controlled by Customer, and Customer will furnish, at no cost or expense to Company, space and shelter satisfactory to Company for all apparatus of Company located on Customer's premises.

In the event that Customer shall divide premises by sale in such manner that one part shall be isolated from streets where Company's gas mains are accessible, Customer shall grant or reserve a right-of-way or an easement for natural gas service over the part having access to gas mains for the benefit of the isolated part.

21. TEMPORARY SERVICE.

- a. In case of temporary service for short-term use, as distinguished from seasonal use, the Company shall require the Customer to pay all the costs of making the service connection and extension, and removing the material after service has been discontinued, or to pay a fixed amount in advance to cover such expense.
- b. If the material is removed by the Company, the Customer shall be credited with the reasonable salvage which the Company shall receive on discontinuance of service. If within corporate limits, all construction rules and regulations shall apply.

22. PIPELINES OTHER THAN THE COMPANY'S.

All municipalities, corporations, companies, partnerships, individuals and others applying for service to be supplied through pipelines not owned by the Company will be required to construct or operate under the Company's established rules and regulations.

- a. The Company specifically reserves the right to reject any and all applications for service where same is to be supplied through pipelines not controlled by it.

23. ALTERATION OF RULES AND REGULATIONS.

No Agent or employee has the right to modify or alter the applications, rates, terms, condition, rules or regulations or to make any promises or representations not contained herein, supplements thereto and revisions thereof.

SALES SERVICE RATE SCHEDULE - continued

24. TAX ADJUSTMENT.

- a. When any city or other taxing subdivision imposes a franchise occupation, business sales, license, excise, privilege or similar tax of any kind on the Company, the amounts thereof, insofar as practical, shall be charged on a *pro rata* (defined as prorating the tax to bill the Customer for the correct number of days on the new tax rate and the old tax rate, if applicable), basis to all Customers receiving gas service from the Company within the boundaries of the city or taxing subdivision. This tax charge, in all cases, will be in addition to the regular charges for gas service.
- b. Where such tax is levied on a percentage of gross receipts, that percentage will be applied to each affected Customer's bill, and the amount computed will be added to the bill. Where such tax is levied on the quantity of gas delivered, the quantity of gas consumed, as shown on the Customer's bill, will be used to determine the tax amount added to the bill. Where the tax is levied other than on a percentage of gross receipts or quantity basis, an amount not to exceed \$1.00 per month per Customer shall be added to each affected Customer's bill until the Customer's *pro rata* share of the total tax is paid. The amount of the tax charged to each affected Customer in each billing period will be shown as a separate item on the Customer's bill.

25. RESERVED FOR FUTURE USE

26. EXCESS FLOW VALVES

- a. The Company shall provide written notification of the availability for installation of an excess flow valve meeting the performance standards prescribed by the United States Department of Transportation at 49 C.F.R. § 192.381 to any single-residence, residential service Customer where a new or replacement service line/service stub that operates continuously at a pressure of ten (10) pounds per square inch gauge or greater is to be installed. The written notification will provide, at a minimum, the information prescribed by said Department of Transportation at 49 C.F.R. § 192.383.

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SALES SERVICE RATE SCHEDULE - continued

26. EXCESS FLOW VALVES – continued

- b. While the Company will install an excess flow valve at a service address at the Customer's request, the Customer is responsible for reimbursing the Company for the fully-allocated cost of the installation. The Company also shall be reimbursed for the fully-allocated cost of any post-installation activities, such as repairing, resetting, deactivating, removing or replacing an excess flow valve, by the then-current Customer at said service address at the time the activity is undertaken.
- c. The Company shall not be liable for any (1) injury to person, and/or (2) damage to or destruction of any property, resulting directly or indirectly from any failure of, or defect in, an excess flow valve installed by the Company, except where the failure of defect is caused directly by an error or omission by the Company in the installation of the excess flow valve.

27. GENERAL TERMS AND CONDITIONS

The applicable General Terms and Conditions of this Tariff are hereby made a part of each of the Sales Service Rate Schedules. To the extent that the General Terms and Conditions are inconsistent with the provisions of any of these Sales Service Rate Schedules, the provisions of that Rate Schedule shall govern.

SALES SERVICE RATE SCHEDULE - continued

28. CONVERSION TO DISTRIBUTION TRANSPORTATION SERVICE

- 28.1 If a Customer receiving service under this Sales Service Rate Schedule elects to convert all, or a portion, of its service to Distribution Transportation Service as of May 31st of any year, the Customer must notify the Company on a Transportation Service Request form, and provide its upstream capacity requirements, if any, to the Company no later than February 15th of the Year of intended conversion. If the Customer qualifies for Distribution Transportation Service, by meeting all of the requirements for such service, Customer will be re-designated as a Distribution Transportation End-User.
- 28.2 The Customer turned End-User must reapply for Sales Service in the future should the then End-User choose to convert the Transportation portion of its service back to Sales Service to be effective on June 1st by terminating Distribution Transportation Service as provided for in Section 3.1.c of the Distribution Transportation Service Rate Schedule. The Company may charge such End-User fees equivalent to those charged a new Sales Service Customer.
- 28.3 The Company shall not be required to refund any monies paid by the Customer or End-User to the Company for equipment or construction associated with the terminated Distribution Transportation Service or the conversion from Sales Service to Distribution Transportation Service or vice versa.
- 28.4 LIMITED TERM PARTIAL ASSIGNMENT FOR THE WESTERN SLOPE SERVICE TERRITORY. To facilitate the conversion from Sales Service to Transportation Service for Delivery Points where Rocky Mountain Natural Gas LLC is the upstream service provider, the Distribution Transportation Service Shipper will be required to take upstream pipeline and/or storage capacity on a limited-term Partial Assignment basis as provided for in Section 2.4 of the Distribution Transportation Service Rate Schedule of this Tariff. The limited-term Partial Assignee (also known as the Shipper in the Rocky Mountain tariff) is liable for, and will be invoiced for and will pay, all charges billed for such assigned upstream capacity for service covering the entire term of the limited assignment period. The limited-term Partial Assignee is prohibited from reselling the upstream capacity the Shipper has obtained by limited-term Partial Assignment.
- a. The limited-term Partial Assignment shall cover the Rocky Mountain Natural Gas LLC Rate Schedule FTS, Rate Schedule APAL and, if applicable to the Delivery Point, the Rate Schedule NNS contract quantities and associated contract entitlements.

28.5 LIMITED CAPACITY RELEASE. To facilitate the conversion from Sales Service to Transportation Service for Delivery Points where Rocky Mountain Natural Gas LLC is the upstream service provider and where the primary Receipt Point(s) is at the Colorado Interstate Gas Company, L.L.C. ("CIG")- Rifle point, the Company will hold the rights and obligations to the CIG upstream capacity contract and will offer capacity release(s) of the allocated quantity attributable to Distribution Transportation Service. The limited-term Partial Assignee may, but will not be required to, take their ratable share of applicable upstream CIG pipeline capacity by means of a capacity release. If the limited-term Partial Assignee elects to not take upstream CIG capacity, it will be subject to the terms and conditions of the Rocky Mountain Natural Gas LLC and Company tariffs relative to obtaining supply. Information related to the capacity release process will be described in an informational posting on the Company's website.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

RESIDENTIAL DISTRIBUTION TRANSPORTATION SERVICE

RATE SCHEDULE RTS (RTS-1, RTS-2)

AVAILABILITY

This Rate Schedule is available to all Residential End-Users within the Company's service territory where natural gas is available.

RATE

Base Rate Area 1 End-Users are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet 7J.

Base Rate Area 2 End-Users are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet 7K.

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to Shippers on behalf of End-Users that receive service in such municipality. The appropriate franchise tax shall be applied to each Shipper's charge and then set forth as a separate item, or surcharge, on that Shipper's bill.

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

PAYMENT

Bills for gas service are due and payable subject to Distribution Transportation Service Agreement and the Company's Distribution Transportation Service General Terms and Conditions.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the End-User, and shall not be re-sold or shared by others. Service under this schedule is for the use of Residential Distribution Transportation Service End-Users only. All services under this schedule are subject to the Distribution Transportation Service Rate Schedule commencing on Sheet No. 81C and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE
SMALL COMMERCIAL DISTRIBUTION TRANSPORTATION SERVICE
(5,000 therms or less per year)

RATE SCHEDULE SCTS (SCTS-1, SCTS-2)

AVAILABILITY

This Rate Schedule is available to all Commercial End-Users within the Company's service territory where natural gas is available.

RATE

Base Rate Area 1 End-Users are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet 7J.

Base Rate Area 2 End-Users are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet 7K.

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to Shippers on behalf of End-Users that receive service in such municipality. The appropriate franchise tax shall be applied to each Shipper's charge and then set forth as a separate item, or surcharge, on that Shipper's bill.

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

PAYMENT

Bills for gas service are due and payable subject to Distribution Transportation Service Agreement and the Company's Distribution Transportation Service General Terms and Conditions.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the End-User, and shall not be re-sold or shared by others; provided, however, that natural gas sold under this schedule may be re-sold for the limited purpose of re-fueling compressed natural gas powered vehicles. Service under this schedule is for the use of Small Commercial Distribution Transportation Service End-Users only. All services under this schedule are subject to the Distribution Transportation Service Rate Schedule commencing on Sheet No. 81C and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

LARGE COMMERCIAL DISTRIBUTION TRANSPORTATION SERVICE
(Greater than 5,000 therms per year)

RATE SCHEDULE LCTS (LCTS-1, LCTS-2)

AVAILABILITY

This Rate Schedule is available to all Large Commercial End-Users within the Company's service territory where natural gas is available.

RATE

Base Rate Area 1 End-Users are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet 7J.

Base Rate Area 2 End-Users are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet 7K.

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to Shippers on behalf of End-Users that receive service in such municipality. The appropriate franchise tax shall be applied to each Shipper's charge and then set forth as a separate item, or surcharge, on that Shipper's bill.

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

PAYMENT

Bills for gas service are due and payable subject to Distribution Transportation Service Agreement and the Company's Distribution Transportation Service General Terms and Conditions.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the End-User, and shall not be re-sold or shared by others; provided, however, that natural gas sold under this schedule may be re-sold for the limited purpose of re-fueling compressed natural gas powered vehicles. Service under this schedule is for the use of Large Commercial Distribution Transportation Service End-Users only. All services under this schedule are subject to the Distribution Transportation Service Rate Schedule commencing on Sheet No. 81C and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

IRRIGATION CROP DRYING OR SEASONAL DISTRIBUTION TRANSPORTATION SERVICE

RATE SCHEDULE ATS (ATS-1, ATS-2)

AVAILABILITY

This Rate Schedule is available to all Irrigation, Crop Drying or Seasonal End-Users within the Company's service territory where natural gas is available. Premises having residential services connected at the same premise shall be eligible for service under this rate schedule as long as the residential load connected constitutes a smaller portion of the entire connected load than for irrigation or crop drying. To be included in this class, Seasonal End-Users must not consume natural gas from December 15 through March 15.

RATE

Base Rate Area 1 End-Users are located in the areas described on Sheet Nos. 5A and 5B. The applicable rates for Base Rate Area 1 are described on Sheet 7J.

Base Rate Area 2 End Users are located in the areas described on Sheet Nos. 5, 5C and 5D. The applicable rates for Base Rate Area 2 are described on Sheet 7K.

FRANCHISE TAX SURCHARGE

Franchise taxes or charges imposed by any municipality will be surcharged only to Shippers on behalf of End-Users that receive service in such municipality. The appropriate franchise tax shall be applied to each Shipper's charge and then set forth as a separate item, or surcharge, on that Shipper's bill.

GENERAL RATE SCHEDULE ADJUSTMENT

This rate is subject to the General Rate Schedule Adjustment tariff commencing on Sheet No. 8A.

PAYMENT

Bills for gas service are due and payable subject to Distribution Transportation Service Agreement and the Company's Distribution Transportation Service General Terms and Conditions.

RULES AND REGULATIONS

Natural gas service under this schedule is for the exclusive use of the End-User, and shall not be re-sold or shared by others. Service under this schedule is primarily for the use of irrigation and crop drying purposes. Irrigation and Crop Drying shall also include Seasonal End-Users. All services under this schedule are subject to the Distribution Transportation Service Rate Schedule commencing on Sheet No. 81C and the General Terms and Conditions of this Tariff, together with such supplements thereto and revisions thereof as are from time-to-time in effect, provided that copies of all such rules shall be kept on file with the Public Utilities Commission of Colorado.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

TRANSPORTATION RATE ADJUSTMENT

1. APPLICABILITY

This Transportation Rate Adjustment (TRA) determined hereunder shall be applied to the commodity charge established from time to time for transportation service under the Distribution Transportation Service Rate Schedule, for Shippers in the North Eastern Colorado area, contained in the Company's tariff filed with the Colorado Public Utilities Commission.

2. COMPUTATION PERIOD AND FREQUENCY

Each year the Company shall make a filing with the Commission in which the Company will determine the Transportation Rate Adjustment (TRA) pursuant to paragraph 3 hereof to be effective during the twelve month period beginning on November 1 of that year. This adjustment will be included in the Company's annual GCA filing. If at any time during this twelve month period the Company experiences a change or changes in supplier rates, the cumulative effect of which is to produce an increase or decrease in total gas supply costs of at least one mill (\$0.001) per therm, the Company may determine new TRA surcharge rates incorporating this impact to be effective for the remainder of the twelve month period.

3. DETERMINATION OF TRANSPORTATION RATE ADJUSTMENT

- a. The monthly amortization of Colorado's portion of costs associated with the buyout of a life-of-field gas purchase contract as authorized in Commission Decision No. C16-0067 affecting its North Eastern Gas Cost Adjustment Rate Area for the twelve month period beginning on November 1 of each year shall be divided by the projected annual system-wide throughput volumes. The result is the applicable system-wide TRA surcharge rate.
- b. The applicable system-wide TRA surcharge rate shall be multiplied by the projected total annual transportation volumes in North Eastern Colorado. This calculation determines the total projected cost obligation of North Eastern Colorado transportation customer classes. The result plus the actual balance of the TRA Deferred Account, as defined herein, will be used to calculate the applicable TRA surcharge rate.

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DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

TRANSPORTATION RATE ADJUSTMENT – continued

- i. The TRA annual accumulation period shall be the twelve (12) months ended June 30. The TRA deferred account balance shall be determined by comparing the (1) the total actual Contract P-0802 cost obligation of Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule, calculated using the same method as the projected cost obligation, above, to (2) the total actual costs collected from Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule. Such difference shall reflect over-or under- collections and shall be credited or debited to the TRA Deferred Account.
- e. The amount resulting from paragraph 3.d. above shall be divided by the projected transportation volumes for Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule which will be billed the TRA Surcharge Rate. The resulting rate shall be the individual TRA Surcharge Rate stated under the Distribution Transportation Service Rate Schedule.
- f. The TRA Surcharge Rate, resulting from steps a through e above, shall be added to the base transportation rate for Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule. The total of the TRA surcharge rate plus the base transportation rate shall be stated on the currently effective Tariff Sheet No. 7J, and shall be the total maximum transportation rate applicable to Shippers in the North Eastern area taking service under the Distribution Transportation Service Rate Schedule.

4. TRANSPORTATION RATE DISCOUNT ORDER

If and when the Company discounts the rates applicable to service rendered under the transportation rate schedule contained in the Company's effective Tariff filed with the Commission, the TRA Surcharge Rate component shall be discounted prior to the discounting of any other component of the applicable maximum rate. The Company will maintain records sufficient to determine the amount of TRA surcharge collected from each transportation Shipper.

5. CREDITING OF REVENUES COLLECTED PURSUANT TO THE TRA

All revenues actually collected as a result of the application of the TRA Surcharge Rate to North Eastern Colorado transportation volumes shall be credited pursuant to the provisions of the Gas Cost Adjustment, Tariff Sheets No. 37, 38, and 39 of Black Hills Energy's effective Colorado Gas Tariff.

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DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

1. AVAILABILITY

- 1.1 Definition. Distribution Transportation Service is the provision of capacity (separate from Company purchased natural gas supplies) on the Company's distribution system on behalf of an End-User(s) who is responsible for procuring its own natural gas supplies. Distribution Transportation Service by Company consists of acceptance of gas tendered by Shipper to Company's Distribution Transportation System at the Point(s) of Receipt, and direct delivery, displacement delivery or exchange delivery for Shipper's account, including receipt at mainline measuring facilities. Distribution transportation service does not apply to wellhead, gathering, processing or storage facilities and services.
- a. For a Shipper(s), where the Shipper is the End-User or where the Shipper's Agent is providing service on behalf of one or more End-Users with a Delivery point located where Rocky Mountain Natural Gas LLC is the upstream service provider, the Shipper or the Shipper's Agent will also be required to take certain upstream capacity by limited term Partial Assignment and, as applicable, limited capacity release as provided for in this Rate Schedule.
- 1.2. Customer Class Definitions. Only one class of service shall be furnished to an individual or corporation at a single address or location. A single request for service cannot apply to different locations. A single request cannot cover more than one meter.
- a. Residential Distribution Transportation Service. Residential distribution transportation service is defined as service provided for domestic general household purposes in a space occupied as living quarters, typically designed for occupancy by one family. Typical service would include, but not be limited to the following: separately-metered units, such as a single private residence, single apartment, mobile home, low income housing unit, nursing home unit, a parsonage paid by the church, low income housing paid by a housing authority, and employee housing paid by the government or business entity. In addition, auxiliary buildings on the same premises as the living quarters, used for residential purposes, will also be considered residential usage.
- b. Small Commercial Distribution Transportation Service. Small Commercial Distribution Transportation service is defined as service provided to non-residential premises such as a business enterprise in a space occupied and operated for non-residential purposes consuming 5,000 therms or less per year. Typical service would include, but not be limited to the following: nursing home, apartments, low income housing complex and a trailer park where natural gas is supplied through one meter, stores, offices, shops, restaurants, sorority and fraternity houses, boarding houses, hotels, service garages, filling stations, hospitals, schools, churches, service organizations, barber shops, beauty parlors, shopping malls, construction, communication, transportation and agricultural activities, excluding irrigation and crop drying Distribution Transportation Service Rate Schedule. This service shall also include service to industrial activities at non-residential premises used primarily for a process which creates or changes raw or unfinished materials into another form or product including mining, oil and gas extraction, and the generation of electric power.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

1.2 – continued

- c. Large Commercial Distribution Transportation Service. Large Commercial Distribution Transportation service is defined as service provided to non-residential premises such as a business enterprise in a space occupied and operated for non-residential purposes consuming greater than 5,000 therms per year. Typical service would include, but not be limited to the following: nursing home, apartments, low income housing complex and a trailer park where natural gas is supplied through one meter, stores, offices, shops, restaurants, sorority and fraternity houses, boarding houses, hotels, service garages, filling stations, hospitals, schools, churches, service organizations, barber shops, beauty parlors, shopping malls, construction, communication, transportation and agricultural activities, excluding irrigation and crop drying as defined below in Section 1.2.d of this Distribution Transportation Service Rate Schedule. This service shall also include service to industrial activities at non-residential premises used primarily for a process which creates or changes raw or unfinished materials into another form or product including mining, oil and gas extraction, and the generation of electric power.
- d. Irrigation, Crop Drying or Seasonal Distribution Transportation Service. Irrigation distribution transportation service is defined as service provided for pumping water for farm land irrigation purposes from an irrigation well. Crop drying service is defined as service provided for drying grain or crops. Seasonal service is defined as service for End-Users that must not consume natural gas from December 15 through March 15.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE

1. AVAILABILITY (cont.)

- 1.3 This Rate Schedule is available for distribution transportation service of natural gas by the Company for any Shipper, when:
- a. End-User has elected to be served under this Distribution Transportation Service Rate Schedule and End-User has submitted a standard form of Distribution Transportation Service Request as contained in this Tariff;
 - b. Company has determined, based upon the character and permanency of the load, that it has sufficient, uncommitted peak day capacity available to provide the service requested without any construction of facilities or other necessary investment by Company unless Company has waived in a nondiscriminatory manner this requirement in writing;
 - c. Shipper has executed a Distribution Transportation Service Agreement in the form contained in this Gas Tariff of which this Rate Schedule is a part;
 - d. The distribution transportation service is to be implemented in accordance with the Colorado Public Utilities Commission's Gas Transportation Rules;
 - e. Company shall receive and deliver gas to Shipper at points located on its distribution system as shown on the executed Distribution Transportation Service Agreement.

2. APPLICABILITY AND CHARACTER OF SERVICE

- 2.1 Distribution transportation service is the movement of gas through Company's distribution facilities. The distribution transportation service will be subject to the General Terms and Conditions attached.
- 2.2 Such distribution transportation service shall be provided to the extent capacity is available.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

- 2.3 Company shall receive from Shipper, or for the account of Shipper daily quantities of gas tendered for transportation. Upon receipt of natural gas for Shipper's account, Company shall, after a reduction of the applicable Fuel Reimbursement Quantity (loss and unaccounted for and company use), transport and deliver for the account of Shipper the thermal equivalent of such gas at the End-User Premise as specified in the Distribution Transportation Service Agreement.
- 2.4 CONTRACT QUANTITY. Company shall calculate an MDDQ for any End-User submitting a Request for Distribution Transportation Service.
- a. Such calculation shall include the amount of capacity required on both the Company's distribution system and the amount of any upstream pipeline and/or storage systems capacity under contract to be assigned or released by the Company. Such calculation shall also include the designation of Primary Receipt Point(s), Primary Path(s) if applicable, Primary Delivery Point(s) for each End User premise included in the request with such Points designated on both the Company's system and on any upstream pipeline and/or storage system. If an End-User designates an Agent associated with the assigned or released upstream system capacity, the calculated MDDQ of the End-User shall be aggregated with other End-User's MDDQs designating the same Agent and shall be added to the MDDQ of the Agent's service entitlements for the period of the Agent-End-User relationship. The sum of the transportation MDDQs on the Company's distribution system appended to a Service Agreement or the limited-term Partial Assignment shall be the MDSQ used for billing purposes.
- (1) The End-User must provide a notification by February 15 of the End-User's non-binding intent to take Distribution Transportation Service for the period of June 1 of the same year through May 31 of the following year. The Company will compute the MDDQ level for such Distribution Transportation Service and will prepare the applicable Distribution Transportation Service Agreement or limited-term Partial Assignment Form(s), to include the MDDQ, for execution by April 15 of each year and must receive the executed Distribution Transportation Service Agreement and the executed Company limited-term Partial Assignment Form(s) by April 30 of each year.

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- (2) At least once annually, the Company shall post on its EBB in the Informational Notices section an explanatory summary of the method of capacity determination to be used to determine the MDRQ, MDDQ, MDSQ and any other contract entitlements associated with the limited term assignment or release of upstream pipeline and/or storage capacity for the next twelve month assignment period.
- (3) Once upstream pipeline and/or storage capacity has been assigned or released to the Agent or upstream contract assignee on a limited term basis, the upstream contract assignee will become the shipper on the upstream system(s) and will comply with all service and tariff requirements of the upstream pipeline and/or storage company and the Company will have no day to day responsibility for such assigned or released upstream capacity and related contracts.

2.5 CONTRACT QUANTITY ADJUSTMENT

- a. The Company will adjust the MDDQ on its system and on the limited-term Partial Assignment of upstream capacity, as applicable, for existing Distribution Transportation End-Users in the following manner;

- (1) Company System MDDQ Determination: By March 31 of each year, the Company shall redetermine existing End-Users' MDDQs, regardless of whether or not a termination notice has been received, based on an analysis to be explained in a posting to the Company's interactive website to include (i) a three-year regression analysis of an 80 heating degree day ("HDD") service requirement plus a five percent (5%) contingency plus Company FL&U and (ii) if applicable, for rate areas other than the Western Slope service territory downstream of Rocky Mountain Natural Gas LLC, any non-HDD factors, as necessary, using the service history of the End-User so long as the End-User has taken prior Sales or Distribution Transportation Service or has been the beneficiary of Distribution Transportation Service of a Shipper for a period of at least 6 (six) months to establish such history. In the event that an End-User reduces its peak usage requirements, such End-User may request in writing that the Company consider a reduction in the MDDQ applicable to the End-User. Upon receipt of any such request, the Company may grant a reset of the previously established MDDQ for the following situations only:
 - i. The Company determines in its sole discretion that End-User has physically and permanently removed gas consuming appliances or equipment as physically verified by the Company that results in a reduction in MDDQ, in which case Company shall determine the appropriate MDDQ.
 - ii. The Company determines in its sole discretion that End-User has installed energy Gas Demand Side Management equipment as part of a Company sponsored Demand-Side Management program that results in a reduction in MDDQ, in which case, the Company shall determine the appropriate MDDQ.
 - iii. The Company determines in its sole discretion that End-User used substantial amounts of gas due to an unforeseen force majeure event such that temporary gas consuming devices are used to mitigate such an event and that such devices are not required for any permanent service requirement and further that End-User will continue to use gas quantities up to the MDDQ.

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DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

2.5 ADDITIONAL FACILITIES

- a. Company shall not be obligated to add any facilities or expand the capacity of Company's distribution transportation system in any manner in order to provide distribution service to End-User pursuant to this Rate Schedule; however, Company is willing to add facilities whenever such is deemed, in Company's reasonable judgment, to be economically, operationally, and technically feasible, subject to the condition that the Company and End-User enter into a facilities agreement which is subject to the provisions of this Tariff:
 - (1) The nature, extent and timing of facilities required shall be at the reasonable discretion of Company;
 - (2) Company receives acceptable assurances of financial reliability from any End-User requesting additional service.
- b. When Company, in its reasonable discretion, agrees with End-User to construct or acquire new facilities, in order to provide distribution service to End User, Company shall require End User:
 - (1) To make a facilities reimbursement payment, including a gross-up for applicable state and federal income tax expense associated with such facilities;
 - (2) To pay for the additional facilities in one lump sum payment or by installment payments to be completed by the end of the contract terms, as negotiated by the parties;
 - (3) To agree to a reimbursement schedule setting the terms, the rate, and the conditions for reimbursement of the additional facility charge, including an obligation to reimburse Company, upon demand, for any unamortized capital charges, under an agreed upon amortization schedule, which may remain if service by Company to End-User under this rate schedule is terminated prior to the end of said amortization period.
- c. If Company, in its reasonable discretion, agrees in writing that End-User can satisfactorily install, operate and maintain any measuring equipment which End-User desires to install, maintain, or operate pursuant to the specifications set forth in the General Terms and Conditions of Company's Tariff, Company shall not be obligated to install such measuring equipment and End-User shall be relieved of any obligation to reimburse Company for the costs related thereto. If End-User measures the gas, End-User shall send to Company in writing the readings and dates from such measuring equipment by the 5th day of the next succeeding month.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

- 2.7 To the extent service under this Rate Schedule is interrupted, such affected service under this Rate Schedule shall be reduced in accordance with Company's General Terms and Conditions.
- 2.8 Firm Distribution Transportation Service agreements must be for a period of one year unless otherwise agreed.
- 2.9 An End-User under this Distribution Transportation Service Rate Schedule is solely responsible for its own gas supply procurement. The Company shall have no sales service obligation to such End-User.
- 2.10 Standby supply service may be available to End-Users under Company's applicable Sales Service tariffs on file and in effect with the Commission after service to all Sales Customers.

3. REQUIREMENTS FOR DISTRIBUTION TRANSPORTATION SERVICE AGREEMENT

- 3.1 REQUEST. All End-Use Customers requesting new Distribution Transportation service must provide the information required by this section and by Company's Distribution Transportation Service Form of Request included in this Tariff on or before February 15 as provided for in Section 2.4.a.(1) of this Rate Schedule, in order to qualify for Distribution Transportation Service under this Rate Schedule. No request for Distribution Transportation Service will be entered on the Company's log until all such information and a completed Distribution Transportation Service Form of Request has been provided to Company.

All completed Distribution Transportation Service Forms of Request are to be sent or emailed to:

Send to: Black Hills Gas Distribution, LLC
1515 Wynkoop Street, Suite 500
Denver, Colorado 80202
Attn: Shipper Services

Email to: bhuhgasscheduling@blackhillscorp.com

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DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

Any request shall include the following:

- a. SHIPPER AND END-USER INFORMATION. Name, address and telephone number to whom correspondence, billings, or other communications should be directed. State name, address and phone number of twenty-four (24) hour contact person for purposes of exchanging scheduling and volume information.
- b. END-USER SERVICE TYPE. Specify current type of Sales Service (Residential, Small Commercial, Large Commercial, Seasonal or Irrigation or Crop Drying) except for requests for limited-term Partial Assignment. Also, specify type of transportation service being requested.
- c. TERM. The requested commencement date of service unless otherwise agreed by the Company, shall begin on June 1 for a twelve month period through the following May 31; provided, however, the proposed commencement date shall not be more than one hundred fifty (150) days from the date of the request for distribution service hereunder unless further time is necessitated by Company's construction of facilities, or waived by Company in its reasonable discretion. If Shipper desires the Agreement to be renewable following the primary term, the Shipper will designate such in its request for Distribution Transportation Service. If no renewal term is specified in the Agreement, the Agreement will terminate on the date specified as the ending date of the Initial Term of the Agreement.
- d. RECEIPT POINT INFORMATION. The designated Receipt Point(s) for the requested Distribution Transportation Service will be at the point of interconnection between the Company and any operators (pipelines, gatherers or producers) transporting the gas immediately upstream of Company's distribution facilities. The Receipt Point(s) requested by Shipper must be acceptable to Company with regard to adequacy of the physical facilities to receive and distribute the quantity requested.
 - (1) RECEIPT POINTS FOR LIMITED TERM PARTIAL ASSIGNMENT OF UPSTREAM CAPACITY. The Receipt point(s) on the limited term assignment of the upstream pipeline and/or storage capacity will be designated in the limited-term Partial Assignment agreement.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

- e. DELIVERY POINT INFORMATION. Specify facility name, address and premise number (if known) for each service location where Distribution Transportation Service is being requested.
 - f. AFFILIATE INFORMATION. The extent of Shipper's, End-User's or Agent's affiliation with Company.
- 3.2 DISTRIBUTION TRANSPORTATION SERVICE AGREEMENT. A Distribution Transportation Service Agreement shall be executed by Shipper within thirty (30) days of being tendered by Company, following Company's acceptance of End-User's or Shipper's request for Distribution Transportation Service.
- a. Term. The Agreement shall be effective for a primary term of no less than one year unless otherwise agreed. If renewable following the primary term, the Agreement may be terminated by either party pursuant to prior written notice on or before April 7, to be terminated effective May 31. If no Renewal Term is specified in the Agreement, the Agreement will terminate on the date specified as the ending date of the Initial Term of the Agreement.
- (1) Notwithstanding the foregoing, for Distribution Transportation Shippers where Rocky Mountain Natural Gas LLC is the upstream service provider, an End-User may change its Agent holding upstream capacity on Rocky Mountain Natural Gas LLC with 30 days prior written notice to be effective on the first day of a calendar month. The original Agent that is also a limited-term Partial Assignee (also known as Shipper in the Rocky Mountain tariff) will amend the limited-term Partial Assignment to allow the replacement Agent to acquire, also by limited-term Partial Assignment, the upstream mainline transmission capacity and related storage rights. If such change occurs on a date other than June 1, the End-User may only change to an Agent utilizing the same Seasonal or Standard rate option as the preceding Agent. If the change occurs effective June 1, there is no such restriction relating to Seasonal or Non-Seasonal rate options.

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DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

- b. Assignment. The Agreement(s) shall be binding upon and inure to the benefit of any successor(s) to either Company or Shipper by merger, consolidation or acquisition.
- c. Interpretation and Modification. The interpretation and performance of the Agreement shall be in accordance with the laws of the State of Colorado. The Agreement, and all its rates, terms and conditions, shall at all times be subject to modification by order of the Commission upon notice and hearing and a finding of good cause therefor. In the event that any party to the Agreement requests the Commission to take any action which could cause a modification in the conditions of the Agreement, that party shall provide written notice to the other parties at the time of filing the request with the Commission.
- d. Agreements being superseded. When the Agreement becomes effective it shall supersede and cancel any other Distribution Transportation Service agreements between the parties for the same service.
- e. Certifications. By executing the Agreement or the limited-term Partial Assignment, Shipper certifies that: (1) Shipper has title to, or a current contractual right to acquire such title to, the gas to be transported by Company; (2) Shipper has, or will have, entered into all arrangements necessary for the commitment of deliveries to Company; and (3) Shipper is the End-User or has a sales contract(s) or will enter into such sales contract(s) prior to the commencement of service.
- f. Credit. Shipper shall complete Form of Credit Application. Company may at any time require Shipper to confirm the accuracy of the information on Credit Application or to complete an updated Form of Credit Application. Failure to complete an updated Form of Credit Application which confirms Shipper's creditworthiness as determined by Company may result in termination of the Agreement at Company's sole discretion. For the twelve-month period beginning June 1, 2014, and for Shippers holding Distribution Transportation Service Agreements prior to June 1, 2014, prior credit documentation of the Shipper will be accepted and no update to the Form of Credit Application will be required unless the Shipper has had a material change in financial condition or unless the Shipper's service entitlements have materially changed.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

- g. Termination. If Shipper fails to perform its obligations under the Agreement, including maintenance of the credit requirements set forth in this Rate Schedule, Company may, at its sole discretion, terminate the Agreement, in whole or in part. Company and Shipper may mutually agree to terminate the Agreement at any time, in which case such termination and consent shall be set forth in writing.
- (1) In the event Company terminates any of the rights resulting from Shipper's breach of the Agreement and/or the provisions of this Tariff or the rules and regulations set forth by the PUC, including Shipper's failure to make payments as required by this Rate Schedule, Shipper shall no longer be entitled to continued service pursuant to Sales Service until Shipper remedies its breach, or satisfactory payment arrangements have been made, in each case as determined solely by Company. Upon Company's determination that Shipper has remedied its breach or made satisfactory payment, as determined by Company in its sole discretion, Company may reinstate the rights that were terminated.
- (2) If Shipper uses an Agent in connection with the limited-term Partial Assignment of rights, obligations and quantities of upstream capacity on Rocky Mountain Natural Gas LLC's Firm Transportation Service, Firm No-Notice Storage Service, as applicable, and Interruptible Park and Loan Load-Following Service, and Agent's Agreement for limited-term Partial Assignment associated with such capacity is terminated, in whole or in part, for any reason, or if the Partially Assigned Capacity is revoked pursuant to such Agreement for limited-term Partial Assignment, including making full and complete payment to Company for End-User's share of charges paid by Company due to the failure of payment by Agent to Rocky Mountain Natural Gas LLC, the Shipper will not be entitled to or receive continued Distribution Transportation Service until Shipper elects to perform Agent's obligations under such Agreement for Limited-Term Partial Assignment, including making full and complete payment to Black Hills Gas Distribution, LLC for End-User's share of charges paid by Black Hills Gas Distribution, LLC due to the failure of payment by Agent to Rocky Mountain. Subsequent to Shipper's adequate performance, Shipper may elect to (a) become the upstream limited-term Partial Assignee for the capacity benefiting the End-User, or (b) designate a new Agent. Otherwise, the Distribution Transportation Shipper shall revert to the Sales Service Rate Schedule for the remainder of the term of the Agreement.
- h. Indemnification. Shipper shall release, protect, indemnify, and hold harmless Company and all of their parent, subsidiary, and affiliated entities and all of their respective directors, officers, employees and agents (each an "Indemnified Party") from and against every kind or character of damages, losses, liabilities, expenses, demands, or claims (including reasonable attorney's fees and court costs) (collectively, "Losses"), to the extent the Losses arise from or relate to, directly or indirectly, the acts or omissions of Shipper, its agents, employees or subcontractors in connection with the transactions contemplated by the Agreement, except to the extent any Losses are attributable to the negligence or willful misconduct of the Indemnified Party.

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DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

- 3.3 FILING FEES. Any and all filings and approval fees required in connection with Shipper's Service Agreement or limited-term Partial Assignment that Company is obligated to pay to any governmental authority having jurisdiction shall be billed by Company to Shipper. Any fees recovered hereunder will not be included in Company's cost of service.
- 3.4 REIMBURSEMENT. Any reimbursement due Company by Shipper pursuant to this section shall be due and payable to Company within ten (10) days of the date of Company's invoice(s) for same.
- 3.5 DEPOSITS FOR SERVICE. Deposits for service will be required as provided in the Colorado PUC's Rules Regulating Gas Utilities and Pipeline Operators. However, depending on creditworthiness of Shipper, as determined pursuant to Section 3 of the Sales Service Rate Schedule of this Tariff, and in a non-discriminatory manner, Company may require Shipper to provide a deposit in an amount of up to an estimated six (6) months bill of Shipper. If the deposit is not paid within fifteen (15) days of written notification, service will not begin, or, if service has begun, it will be terminated.
- 3.6 ELECTRONIC FLOW MEASUREMENT. Electronic flow measurement (EFM) is required at all transportation service delivery points. If EFM does not exist at any transportation delivery point requested by End User, the Company shall have no obligation to provide Distribution Transportation service to that point unless and until End User agrees to the Company's installation of EFM at such delivery point and to reimbursement by End-User or End-User's Shipper of all costs related to the installation and operation of EFM at such point. The Company shall install its standard EFM at a location determined by the Company, and End-User shall allow the Company to install, maintain and operate the EFM on End-User's property. End-User or End-User's Shipper shall reimburse the Company for all costs of material and labor related to installation of the EFM. End-User shall also reimburse the Company for all initial installation costs (material and labor) and shall be responsible for all ongoing costs of an electrical supply and dedicated, data quality phone line necessary for the operation of the EFM equipment in the location determined by the Company. Should End-User and Shipper fail to agree to the installation or reimbursement of EFM at any requested delivery point, the Company shall have the right to refuse or terminate Distribution Transportation service to Shipper at that point. The End-User will maintain the communication line and cause any interruption in service over the communication line to be repaired as soon as possible. If interruption of service occurs on a communication line not in the Western Slope service territory and not downstream of Rocky Mountain Natural Gas LLC, and if the communication line is not repaired within three (3) business days, the Company may no longer accept transportation nominations from the Shipper. In any event, the Company shall obtain the metered data and Shipper shall be responsible for all applicable charges. The Company shall record EFM data on a daily basis during the term of Shipper's Distribution Transportation service agreement and the daily flow and imbalance information will be made available to the Shipper and/or its designated Agent through the Company's electronic bulletin board.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

- a. The End-User will reimburse the Company for all reimbursable costs related to EFM in a lump sum payment when service is initiated. If End-User fails to make in a timely manner any payments to reimburse the Company for any reimbursable costs related to EFM installed at a delivery point under any distribution transportation service agreement with Shipper, the Company may, upon 30 days notice, terminate service to Shipper under such agreement, in addition to, and without limitation upon, any other legal or equitable remedies the Company may have.
- b. If Shipper's Distribution Transportation Service Agreement terminates, the Company shall not be obligated to make reimbursement for EFM installation(s) and the Company may elect to relocate the EFM equipment to another point on the Company's system at its discretion.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

4. RATES

- 4.1 MAXIMUM AND MINIMUM RATES. The applicable maximum and minimum unit rates for distribution transportation service are set forth in the currently effective Distribution Transportation Service Rate Schedule. The applicable unit rate under this Rate Schedule shall be a rate not in excess of the maximum unit rate, nor less than the minimum unit rate. If Company elects to discount, Company shall discount these rates on a not unduly discriminatory basis within this range. Company will charge the maximum rate unless otherwise agreed to in writing with Shipper.
- 4.2 MONTHLY BILL. Commencing for the month in which the Distribution Transportation Service Agreement is effective and each month thereafter, Company shall charge and Shipper, or, if provided in any applicable agency agreement, the Shipper's designated Agent shall pay Company the following amounts:
- a. CUSTOMER CHARGE. The applicable rate set forth in the currently effective Rate Schedule multiplied by the number of delivery meters covered by the Agreement.
 - b. DISTRIBUTION CHARGE. The applicable unit distribution rate set forth in the currently effective Transportation Rate Schedule multiplied by the therms delivered by Company in the month at the Delivery Point(s).
 - c. MONTHLY ADMINISTRATIVE CHARGE. There will be an administrative charge as set forth on the applicable rate sheet of this Tariff.
 - d. AUTHORIZED OVERRUN CHARGE. Such charge shall be incurred when the Company permits Shipper to take daily volumes in excess of its MDSQ when specified. The applicable Authorized Overrun Charge is set forth on the applicable rate sheet of this Tariff.
 - e. UNAUTHORIZED OVERRUN CHARGE. Such charge shall be incurred when Shipper takes daily volumes in excess of its MDSQ, when specified, which were not nominated and confirmed or when Shipper takes daily volumes in excess of Authorized Overruns for the Day.
 - f. IMBALANCE CHARGES AND/OR DAILY BALANCING FEE. The Company shall bill the Shipper for the imbalance charges provided for in Section 5.3, Section 5.5 and Section 6.4(4) of this Rate Schedule.

- g. **THIRD PARTY CHARGES.** Company may acquire service or incur charges (including penalty charges) on an upstream pipeline or storage provider on behalf of or in support of the service requirements of a specified Shipper. In that event, and after having notified Shipper of the need for, cause of and acquisition of such upstream service or charge, Company may directly invoice Shipper for the service or other charges of any type that Company has incurred on the Shipper's behalf. In no event shall such invoiced amount be greater than the amount that the Company has paid the upstream provider.
- (1) For the Western Slope service territory, for capacity on the CIG system to the CIG Rifle point, such capacity, unless it has been acquired by another party by capacity release, will be made available on a time to time basis to the limited-term Partial Assignee by short-term capacity release. Once annually, the Company will make an informational posting on the Company's website related to the processes associated with such capacity release including information on the related third party charges, if any.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

4.3 DISCONTINUANCE OF SERVICE. Discontinuance of service shall be as provided in accordance with the Colorado PUC's Rules Regulating Natural Gas Utilities and Pipeline Operators.

5. BALANCING

5.1 SHIPPER'S RESPONSIBILITY. Balancing of distribution transportation receipts and deliveries behind a Mainline Border Station, single Town Border Station, or an equivalent thereof is Shipper's responsibility. Imbalances are to be minimized and are subject to the terms and conditions of this Tariff.

- a. If the Company receives gas from the Shipper at a Point of Receipt through which both Distribution Transportation Rate Schedule and Sales Rate Schedule quantities are being received, the allocation of gas volumes through the meter will be the allocation supplied by the interconnecting pipeline. If the Company is able to control Point of Receipt allocations, the Company may minimize or eliminate monthly imbalances by allocating receipts. The Company is not responsible for eliminating any imbalances between End-User and an Agent.
- b. The Company will post notification of the Shipper's invoice and imbalance on the Company's interactive website. In instances in which there is a balance due on an under-receipt imbalance, the interactive website will provide information on the imbalance MMBtu and cashout balance due to the Company. In instances in which there is an over-receipt imbalance cashout credit, the Company's interactive web site will provide information on the imbalance MMBtu and the cashout credit due to the Shipper.
- c. In addition to the provisions of this Section regarding monthly balancing behind a MBS, single TBS or equivalent thereof, the Company may require daily balancing of distribution receipts and deliveries consistent with the provisions of this Tariff. The Company has the right to reduce receipts and/or deliveries hereunder in excess of an MDSQ, when specified, at any time the Company may deem, in its reasonable discretion, that it is necessary to do so in order to protect the integrity of its system, including the maintenance of service to other customers.

5.2 OVERRECEIPTS. An over-receipt occurs when the MMBtu received into the Company's system (net of Fuel Reimbursement Quantity) on behalf of a Shipper is in excess of the Shipper's MMBtu of deliveries at designated location(s). Imbalances will be determined at the end of each month by subtracting deliveries from receipts (net of Fuel Reimbursement Quantity). The imbalance percentage will then be determined by dividing the imbalance by the monthly deliveries.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

5.3 CASHOUT OF OVER-RECEIPT IMBALANCES.

- a. A Shipper's over-receipt imbalance less than or equal to five percent (5.0%) of the Shipper's monthly deliveries will be credited on the Shipper's invoice in the amount of those imbalance MMBtu multiplied by the Tier 1 Cashout Credit Rate. For any additional over-receipt imbalances greater than five percent (5.0%) of the Shipper's monthly deliveries, the Shipper's invoice also will be credited the amount of the imbalance MMBtu greater than five percent (5.0%) multiplied by the Tier 2 Cashout Credit Rate.

<u>Tier</u>	<u>Positive Imbalance as a Percentage of Deliveries</u>	<u>Over-Receipt Cashout Credit Rate Percentage of Index or WACOG*</u>
1	0% to 5.0%	100%
2	Greater than 5.0%	75%

*The lesser of either: (1) Index, which is the lowest of the mean of the "Spot Market Prices" for "CIG", "Northwest S. of Green River" or "Questar" under the "avg." column for each week applicable to the Rocky Mountain region as published in *Natural Gas Intelligence Weekly Gas Price Index* (or a superseding index if the publication is revised) for the month which most closely corresponds to the month in which the imbalance occurred; or (2) the Company's weighted average cost of gas ("WACOG") for the month and for the jurisdiction in which the imbalance occurred.

WACOG shall be determined each month using the sum of the following factors, if applicable, divided by the volumes during that month: (1) purchased gas cost; (2) cost of volumes transported by upstream pipelines; (3) cost of storage volumes injected or withdrawn; and (4) cost of hedged volumes.

- b. Company may waive such cashout charge in a not unduly discriminatory manner for good cause.

- 5.4 UNDER-RECEIPTS. An under-receipt imbalance occurs when the MMBtu received into the Company's system (net of Fuel Reimbursement) on behalf of the Shipper is less than the Shipper's MMBtu of deliveries at designated location(s). Imbalances will be determined at the end of each month by subtracting deliveries from receipts (net of Fuel Reimbursement). The imbalance percentage will then be determined by dividing the absolute value of the imbalance by the monthly deliveries.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

5.5 CASHOUT OF UNDER-RECEIPT IMBALANCES.

- a. A Shipper's under-receipt imbalance less than or equal to five percent (5.0%) of the Shipper's monthly deliveries will be charged on the Shipper's invoice in the amount of those imbalance MMBtu multiplied by the Tier 1 Cashout Charge Rate. For any additional under-receipt imbalances greater than five percent (5.0%) of the Shipper's monthly deliveries, the Shipper's invoice will be charged the amount of the imbalance MMBtu greater than five percent (5.0%) multiplied by the Tier 2 Cashout Charge Rate.

<u>Tier</u>	<u>Imbalance as a Percentage of Deliveries</u>	<u>Under-Receipt Cashout Charge Rate Percentage of Index or WACOG*</u>
1	0% to 5.0%	100%
2	Greater than 5.0%	125%

* The greater of either: (1) Index, which is the highest of the means of the "Spot Market Prices" for "CIG", "Northwest S. of Green River" or "Questar" under the "avg." column for each week applicable to the Rocky Mountain region as published in *Natural Gas Intelligence Weekly Gas Price Index* (or a superseding index if the publication is revised) for the month which most closely corresponds to the month in which the imbalance occurred, plus the maximum rate for interruptible transportation service, including associated surcharges, under the applicable upstream pipeline serving the Shipper (Rate Schedule TI-1 of Colorado Interstate Gas Company's FERC Gas Tariff, Rate Schedule TI of Public Service Company of Colorado's (Excel) Colorado PUC Tariff, Rate Schedule IT of Tallgrass Interstate Gas Transmission's FERC Gas Tariff or Rate Schedule ITS-1 of Rocky Mountain Natural Gas Company's Colorado PUC Tariff); or (2) the Company's weighted average cost of gas ("WACOG") for the month and for the jurisdiction in which the imbalance occurred.

WACOG shall be determined each month using the sum of the following factors, if applicable, divided by the volumes during that month: (1) purchased gas cost, (2) cost of volumes transported by upstream pipelines; (3) cost of storage volumes injected or withdrawn; and (4) cost of hedged volumes.

- b. Company may waive such cashout charge in a not unduly discriminatory manner for good cause.

5.6 TERMINATION. Any imbalance remaining at the termination of a Distribution Transportation Service Agreement shall be credited or charged in the invoice for the month in which the imbalance occurred.

5.7 FORCE MAJEURE OCCURRENCE. In the event of a force majeure occurrence as defined in the General Terms and Conditions of Company's Tariff, Shipper shall not be relieved from its obligation to make payment of amounts then due or which become due hereunder.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

6. SCHEDULING OF RECEIPTS AND DELIVERIES.

6.1 NOMINATIONS. If Shipper desires distribution service for gas on any day under this Rate Schedule and when required by Company, Shipper shall:

- a. Notify Company's Transportation Administration Section by submitting a nomination by 12:00 noon Mountain Clock Time ("MT") before the beginning of the first gas day (8:00 a.m. to 8:00 p.m. MT) on which Shipper desires distribution transportation service. Company shall have no obligation to provide service for Shipper under this Rate Schedule if Shipper's notice (nomination) hereunder is not timely. C
- b. Include in the nomination the quantity of gas to be received by Company (including Shipper's volumes for which distribution service is desired and Btu levels, overrun volumes, any volumes to satisfy past imbalances, and Fuel Reimbursement Quantities for volumes at each specified Receipt Point) and the quantity to be delivered by Company at each specified delivery point for the gas day to commence at 8:00 a.m. (MT) of the desired day, but no sooner than the following day. The total receipt nominations less the Fuel Reimbursement Quantity must equal the equivalent thermal quantity of delivery nominations. Transactions to which different rates apply shall be nominated separately. C
- c. Receive a response from Company by 4:00 p.m. (MT) if Company does not have the capacity to accept and/or deliver the requested quantities the following day. C
- d. For service to begin on the first day of the month, submit nominations to Company by 12:00 noon (MT) five work days prior to the first day of the month. C
- e. Subject to Company's General Terms and Conditions, Company shall receive from, provide distribution transportation service for, and deliver to, or for the account of, Shipper the equivalent thermal quantity of gas nominated, less the Fuel Reimbursement Quantity.
- f. Provide contract numbers for both upstream and downstream parties, if known.
- g. Nominate to no more than one (1) delivery point per transportation nomination, except that if, for the Western Slope service territory downstream of Rocky Mountain Natural Gas LLC, a Shipper is required to nominate for the benefit of more than one End User, then Shipper may nominate to more than one delivery point.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

6.2 SCHEDULING OF RECEIPTS AND DELIVERIES

The Company will administer the scheduling and nomination process necessary to transport gas on its own distribution facilities. The Company may require nominations of the daily volumes to be transported across its distribution system under circumstances necessary to preserve the operational integrity of its distribution system. The Company will offer more frequent nomination cycles to coincide with upstream and/or downstream pipelines, as necessary. If nominations are required, the Company will notify Shippers as soon as practical via the Company's interactive website, if available, otherwise by phone. Shippers will be responsible for all nominations on upstream pipelines to ensure that the Shipper's aggregate daily estimates of usage are delivered. The Company's Fuel Reimbursement Quantity will be provided by the qualified Shippers.

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6.3 DELIVERY OF GAS. It is the intention of Company to make daily delivery of Shipper's thermally equivalent volume received, less the Fuel Reimbursement Quantity and adjustments, if any, for prior imbalances. Due to variations in operating conditions, daily and monthly deliveries hereunder by Company may be greater or less than the corresponding receipts of gas hereunder less the applicable Fuel Reimbursement Quantity, and deliveries shall be adjusted under this Rate Schedule. Notwithstanding the foregoing, Company shall have the right, but not the obligation, upon reasonable notice to Shipper to curtail receipts and/or deliveries via changes to confirmed nominations in order to correct any imbalances to the extent of Shipper's accrued imbalance during the most recent 30-day period if greater than ten percent (10%) of Shipper's nominations during the most recent thirty (30) day period.

6.4 NOMINATIONS.

1. Timing of Nominations

- a. Shipper must submit nominations to Company by 12:00 noon (MT) via Company's interactive website or such other electronic means as are mutually agreed upon by Company and Shipper, as directed by Company, one (1) Business day prior to the day of flow. Company shall have no obligation to provide service for Shipper under this Rate Schedule if Shipper's nomination hereunder is not timely.
- b. Company shall not be required to accept any gas tendered by Shipper's upstream pipeline transporter that: (a) does not conform to Shipper's currently effective nominations or (b) is not delivered to a mutually agreeable city gate. Shipper is required to notify Company and, where possible, to provide copies of its daily and monthly nominations to its upstream pipeline transporter and the confirmed nomination received from the upstream pipeline transporter, within 24 hours of the delivery or receipt of such nominations. Company shall not be obligated to provided transportation service during an hourly, daily or monthly period in excess of the levels specified in the Service Agreement.
- c. Company shall provide notice to Shipper by 4:00 p.m. (MT) if Company does not have the capacity to accept and/or deliver the requested quantities nominated for the next gas day.

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DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

2. Content of Nominations. Shipper shall include in any nomination: 1) the daily quantity of Gas to be received by Company (including Shipper's transportation volumes); 2) daily overrun volumes, which may be nominated as separate transactions; 3) any daily volumes to satisfy past Imbalances; 4) the Fuel Reimbursement Quantity for volumes at each specified Receipt Point; 5) Receipt Points (primary and/or secondary); 6) the daily quantity to be delivered by Company at each specified Delivery Point (primary and/or secondary) on the desired Day; 7) Shipper-defined beginning and ending dates; and 8) upstream or downstream pipeline contract numbers if applicable. The total receipt nominations less the Fuel Reimbursement Quantity and other deductions must equal the equivalent thermal quantity of delivery nominations.
3. Inaccurate Nominations. Based upon the information that Company has available concerning the quantity of Gas actually received from and delivered to Shipper, or for Shipper's account, if actual receipts or deliveries on any Day are more than five percent (5%) over or under nominations, or if actual receipts differ from actual deliveries on any Day by more than five percent (5%), Company will, by means of the telephone, electronic mail message or by notice on the informational postings portion of Company's interactive web site, notify Shipper that it has twelve (12) hours in which to bring actual receipts or deliveries and nominations more closely into agreement; provided that the Company shall issue said notice within a reasonable period after the inaccurate nomination condition becomes evident to the Company, but no later than two (2) hours before the last intra -day nomination deadline established in the tariff(s) of transporting pipeline(s). In said notice, the Company shall inform the Shipper whether actual net receipts need to be equal to or greater than actual deliveries, or actual deliveries need to be equal to or greater than actual net receipts. Notwithstanding any provision of this Rate Schedule, a Shipper receiving notice under this paragraph will be permitted to submit an intra-day nomination to the Company on or before the deadline for the last intra-day nomination permitted in the tariff(s) of transporting pipeline(s) and the Company shall process and schedule said nomination; provided that the nomination is submitted for the purpose of complying with the directive contained within the notice provided to said Shipper. If the discrepancy is not brought within the five percent (5%) tolerance within twelve (12) hours, Company may adjust deliveries to compensate for the inaccurate nominations. The action allowed by this paragraph is in addition to Company's right to assess authorized overrun charges or unauthorized overrun charges or daily balancing fees, pursuant to the terms of this Rate Schedule.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

4. Daily Balancing Fee. Upon prior notice to a Shipper consistent with Section 6.4.3, above, to adjust inaccurate nominations, a daily balancing fee may be assessed during Daily Balancing Periods when it is determined that the variance between Shipper's actual net receipts and deliveries, as of the end of the applicable Day of the Daily Balancing Period, is in excess of five percent (5%). If said notice is issued by the Company no later than the latest time for issuing notice set forth in Section 6.4.3, the first Day of the Daily Balancing Period for which a daily balancing fee can be assessed is the Day on which the notice is issued; however, if the notice is issued by the Company later than the latest time for issuing notice set forth in Section 6.4.3, the first Day of the Daily Balancing Period for which a daily balancing fee can be assessed is the Day following the Day on which the notice is issued. The imbalance is determined by subtracting deliveries from net receipts. The daily balancing fee shall be calculated by multiplying the imbalance volume (in excess of the volume above the tolerance level) by \$0.60 per therm, plus the highest spot gas price listed in Gas Daily's Daily Price Survey relative to Colorado Interstate Gas Company, Northwest Pipeline Corporation and Questar Pipeline Company, applicable to the "Rockies" (Rocky Mountain) region, for the applicable Day of the Daily Balancing Period. The Company shall not assess a daily balancing fee on a Shipper with respect to any Day of the Daily Balancing Period on which the Shipper complied with the Company's directive to said Shipper, as disclosed in the notification provided under Section 6.4.3, either to provide actual net receipts equal to or greater than actual deliveries, or to take actual deliveries equal to or greater than actual net receipts.

- (1) Company may waive such fee in a not unduly discriminatory manner for good cause.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

- 6.5 DELEGATION. A Shipper may delegate to an Agent responsibility for submitting and receiving notices or nominations or performing other administrative duties under any Agreement, subject to the following conditions:
- a. Any designation of such a representative, shall be for a minimum term of 30 days and must start on the first day of a calendar month and must end on the last day of a calendar month. If no end date is specified in the Agency Agreement, then upon expiration of the minimum term, the Agency Agreement shall automatically renew for successive thirty (30) day periods, unless either party provides the other party with at least thirty (30) days written notice of its intent not to renew. Any change in such designation, may be provided in an e-mail notification and must be confirmed in writing and must be submitted at least thirty (30) days prior to the requested effective date as reflected on the Company's Form of Agency Agreement as contained in this Tariff so long as the effective date falls on the first calendar day of a month.
 - b. The Company may rely on communication from Shipper's designated representative for all purposes. Communications by the Company to such designated representative shall be deemed notice to Shipper.
 - c. Any third party, including designated Agents, may administer multiple agreements as the designated representative for one or more Shippers. However, such representative shall separately administer and account for each such agreement to each Shipper as required from time to time by such Shipper.

7. POSSESSION, TITLE AND WARRANTY OF GAS.

- 7.1 Company shall be deemed to be in possession of the gas delivered by Shipper only from the time it is received by Company for distribution at the Point(s) of Receipt until it is delivered to End-User at the Point(s) of Delivery as provided herein. Shipper shall be deemed to be in possession of such gas prior to such receipt and End-User shall be deemed to be in possession after such delivery. Company shall have no responsibility hereunder with respect to such gas before receipt by it or after delivery to End-User. Shipper shall have no responsibility to such gas while it is deemed hereunder to be in Company's possession.
- 7.2 It is expressly understood that title, or right to acquire title, to all gas delivered by Shipper to Company for distribution hereunder shall be held by Shipper. In no event shall Company take title to gas distributed pursuant to this Rate Schedule except as provided for in the General Terms and Conditions.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE - continued

7.3 Shipper hereby warrants that gas delivered to Company hereunder is free and clear of all liens, encumbrances, and claims whatsoever. Shipper agrees to indemnify and holds harmless Company against any loss or cost incurred by Company on account of such liens, encumbrances and claims whatsoever. Company warrants that at the time of delivery to End-User at the Point(s) of Delivery the gas so delivered hereunder shall be free and clear of all liens, encumbrances and claims whatsoever resulting from Company's possession or distribution transportation of gas pursuant to this Rate Schedule. Company agrees to indemnify and hold harmless Shipper against any loss or cost incurred by Shipper on account of liens, encumbrances or claims resulting from any possession or distribution by Company.

8. GOVERNMENTAL AUTHORITIES

8.1 Distribution Transportation Service under executed Distribution Transportation Service Agreements shall be implemented pursuant to Colorado Public Utilities Commission Gas Transportation Rules. The Service Agreement shall contain such additional language as specifically required by the PUC's application regulations.

8.2 This rate schedule, and all its rates, terms and conditions, shall at all times be subject to modification by order of the PUC upon notice and hearing and a finding of good cause therefore. In the event that any party to this agreement requests the PUC to take any action which could cause a modification in the conditions of this agreement, that party shall provide written notice to the other parties at the time of filing the request with the PUC.

DISTRIBUTION TRANSPORTATION SERVICE RATE SCHEDULE – continued

9. CONVERSION TO SALES SERVICE. If an End-User receiving service under this Distribution Transportation Rate Schedule, or an End-User benefiting under Agency Agreement from service under this Distribution Transportation Rate Schedule, elects to convert all, or a portion, of its service to Sales Service, the End-User will be subject to meeting the terms and conditions of the Sales Service Rate Schedule contained in this Tariff, wherein the Distribution Transportation End-User will be re-designated as a Customer of Sales Service at the end of the term of the Distribution Transportation Service Agreement after having provided notice by April 7th as provided for in Section 2.4.a.(1) of the Distribution Transportation Service Rate Schedule of this Tariff. The then Customer must reapply for Distribution Transportation Service in the future should the Customer choose to convert the Sales Service portion of its service back to Distribution Transportation Service. The Company may charge such Customer fees equivalent to those charged a new Distribution Transportation Shipper. Further, the Company shall not be required to refund any monies paid by the Customer to the Company for equipment or construction associated with the terminated Sales Service or the conversion from Distribution Transportation Service to Sales Service or vice versa.

Provided however, where the Shipper taking Distribution Transportation Service has elected an Agent for the purpose of limited-term, partial assignment of rights, obligations and quantities of upstream capacity on Rocky Mountain Natural Gas LLC's Firm Transportation Service (Rate Schedule FTS), Firm No-Notice Storage Service (Rate Schedule NNS), as applicable, and Interruptible Automatic Park and Load-Following Service (Rate Schedule APAL), and Agent's agreement associated with such capacity is terminated due to the breach in any way of the upstream Limited-term Partial Assignment by the Agent, Black Hills Gas Distribution, LLC shall promptly inform all affected Black Hills Gas Distribution, LLC End-Users that they will not be entitled to continued Distribution Transportation Service until the End-User elects to perform Agent's obligations under the limited term Partial Assignment, including making full and complete payment to Black Hills Gas Distribution, LLC for End-User's share of charges paid by Black Hills Gas Distribution, LLC due to the failure of payment by Agent to Rocky Mountain. Subsequent to End-User's adequate performance, End-User may elect to (a) become the upstream limited-term Partial Assignee for the Capacity benefitting the End-User, or (b) designate a new Agent. Otherwise, the End-User shall revert to Black Hills Gas Distribution, LLC Sales Service until the next June 1.

10. GENERAL TERMS AND CONDITIONS. The applicable General Terms and Conditions of this Tariff are hereby made a part of each of the Distribution Transportation Service Rate Schedules. To the extent that the General Terms and Conditions are inconsistent with the provisions of any of these Distribution Transportation Sales Rate Schedules, the provisions of that Rate Schedule shall govern.

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FORM OF
REQUEST FOR DISTRIBUTION TRANSPORTATION SERVICE
AND DISTRIBUTION TRANSPORTATION AGREEMENT
Page 1 of 3

CUSTOMER INFORMATION

Contract Number: _____

Date: _____

Complete Legal Name of Customer: _____

State of Incorporation: _____

Address: _____ For Billing: _____

Phone: _____ Phone: _____

Fax: _____

For Notices:

Contact Name: _____ Alternate Contact: _____

Address: _____ Alternate Address: _____

Phone: _____ Alternate Phone: _____

Customer Service Type:

Existing Service (Check one):

☐ Residential

☐ Small Commercial

☐ Large Commercial

☐ Seasonal

☐ None

Requested Service (Check One):

☐ Residential Transportation Service

☐ Small Commercial Transportation Service

☐ Large Commercial Transportation Service

☐ Seasonal Transportation Service

☐ Irrigation and/or Crop Drying Transportation Service

Requested Date of Distribution Transportation Service to Begin: _____

Initial Term of Agreement: _____

Renewal Term of Agreement: _____

Advice Letter No. 285

Jerrad Hammer

Issue Date: February 19, 2016

Decision or
Authority No. R16-0058

Director - Rates and Regulatory
Title

Effective Date: March 1, 2016

FORM OF
REQUEST FOR DISTRIBUTION TRANSPORTATION SERVICE
AND DISTRIBUTION TRANSPORTATION AGREEMENT
Page 2 of 3

End User Delivery Point Information:

<u>Facility Name</u>	<u>Service Address or Legal Location</u>	<u>Premise ID#</u>	<u>Affiliate Information</u>
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

This Agreement and all its rates, terms and conditions as set out in this agreement and as set out in the tariff provisions which are incorporated into this agreement by reference, shall at all times be subject to modification by order of the Commission upon notice and hearing and a finding of good cause therefore. In the event that any party to this agreement requests the Commission to take any action which could cause a modification in the conditions of this agreement, the party shall provide written notice to the other parties at the time of filing the request with the Commission.

If the end-use Customer uses a marketing broker for nomination, gas purchases and balancing, the end-use Customer shall provide the Company with an Agency Agreement.

For Customers in the Company's Western Slope Colorado Rate Area, submittal of this Request affirms approval of Customer for Rocky Mountain Natural Gas LLC to obtain any and all necessary customer records from Black Hills Gas Distribution, LLC for provision of transportation service on Rocky Mountain Natural Gas LLC.

Submitted by:

Name: _____
Title: _____
Date: _____

Approved by: _____
Title: _____
Date: _____

FORM OF
REQUEST FOR DISTRIBUTION TRANSPORTATION SERVICE
AND DISTRIBUTION TRANSPORTATION AGREEMENT
Page 3 of 3
(To be completed for End-Users not located in the Western Slope Colorado Rate Area)

End User Receipt Point/MDDQ/MDRQ Information:

<u>Upstream Pipeline</u>	<u>Receipt Point (TBS)</u>	<u>MDDQ/MDRQ</u>

**FORM OF
CREDIT APPLICATION
BLACK HILLS GAS DISTRIBUTION, LLC**

Section 1 --General Information

Shipper Name _____
Shipper Address _____
DUNS# ____ - ____ - ____ FEIN ____ - ____ - ____
Contact Person _____ Telephone No. (____) _____
Business Entity: __ "S" Corporation __ "C" Corporation __ Partnership __ Other FAX No. (____) _____
Type of Business _____ Number of years in business _____
List parent corporation of Shipper (if Shipper is a subsidiary company) or general partners (if shipper is a partnership)

Section 2 -- Standardized Credit Information

Please provide the following information current as of the date of this Credit Application:

1. Shipper's long-term unsecured debt securities' ratings:
Moody's Investor Service _____
Standard and Poor's Corporation _____
Not rated by Moody's or S&P _____
2. Please enclose current audited financial statements, annual reports, or other reports to regulatory agencies, or any reports from credit reporting agencies if such financial statements are not available on "EDGAR" or its home page on the World Wide Web.

Section 3 -- Additional Financial Information and Documentation

Is Shipper:

- Operating under federal bankruptcy laws?	__ Yes __ No
- Subject to liquidation or debt reduction procedures under state laws?	__ Yes __ No
- Subject to pending liquidation or regulatory proceedings in state or federal courts which could cause a substantial deterioration of Shipper's financial condition?	__ Yes __ No
- Subject to any collection lawsuits or outstanding judgments which would affect shippers ability to remain solvent?	__ Yes __ No
- Are there any overdue amounts owed Black Hills Energy?	__ Yes __ No

**FORM OF
CREDIT APPLICATION
BLACK HILLS GAS DISTRIBUTION, LLC
(Continued)**

Shipper's Bank Reference (or other financing source)

Bank Name _____ Bank Account No. _____

Address _____

Loan Officer's Name _____ Telephone No. (____) _____

Please provide anticipated commencement date for requested service: _____

Estimated Monthly Charges for all services \$ _____

Incomplete applications will be declined.

The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Agreement, and agrees to indemnify and hold harmless Black Hills Gas Distribution, LLC from any claim that such authority did not exist.

Shipper's Signature

Date

Return this Credit Application and Supporting Financial Information to:

Black Hills Gas Distribution, LLC
1515 Wynkoop Street, Suite 500
Denver, CO 80202
Attention: Shipper Services
Telephone: 800.232.1850
Email: bhuhgasscheduling@blackhillscorp.com

**FORM OF AGREEMENT FOR
LIMITED TERM PARTIAL ASSIGNMENT
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

AGREEMENT #: _____ (“Agreement”) Dated: _____

This Agreement is between Black Hills Gas Distribution, LLC, a Delaware Limited Liability Company (“Black Hills Energy”), with its principal place of business located in Denver, Colorado; and _____, a _____, with its principal place of business located in _____, as “Shipper,” as such term is defined in Rocky Mountain Natural Gas LLC’s (“Rocky Mountain”) Tariff for Natural Gas Service, and as “Agent,” as such term is defined in the Black Hills Energy’s Schedule of Rates for Natural Gas Service (respectively, the “Rocky Mountain Tariff” and the “Black Hills Energy Tariff”; collectively, the “Tariffs”), as the same Tariffs may be amended or superseded from time-to-time. Black Hills Energy and Shipper are collectively referred to as the “Parties.”

1. LIMITED TERM PARTIAL ASSIGNMENT OF ROCKY MOUNTAIN CAPACITY RIGHTS AND OBLIGATIONS:

Black Hills Energy, for the limited term indicated by the term provision of this Agreement, hereby partially assigns to Shipper certain rights, obligations and quantities of capacity under the following agreements between Black Hills Energy and Rocky Mountain:

Firm Transportation Service Agreement: _____

No-Notice Storage Agreement: _____

Automatic Parking and Lending Agreement: _____

This partial assignment is made pursuant to Black Hills Energy’s End-Use Transportation Service Program. Exhibit A to this Agreement serves to satisfy both the Shipper’s Request for Service as provided for in the Rocky Mountain Tariff and the informational Exhibit of this Agreement. Black Hills Energy is only assigning the rights, obligations and quantities of capacity related to Rocky Mountain’s Firm Transportation Service (Rate Schedules FTS), Firm No-Notice Storage Service (Rate Schedule NNS), as applicable, and Interruptible Automatic Park and Loan Load-Following Service (Rate Schedule APAL) as are set forth in the Attachment to Exhibit A of this Agreement (“Partially Assigned Capacity”). The Partially Assigned Capacity shall be determined by Black Hills Energy pursuant to the Tariff. The total amount of Partially Assigned Capacity shall be equal to the total capacity requirements of all End-Users on the Black Hills Energy system that have selected Shipper as its Agent for upstream capacity and that have entered into a Distribution Transportation Agreement, as such terms are defined in the Black Hills Energy Tariff. The total amount of such Partially Assigned Capacity shall be equal to the total capacity requirements of all such End-Users as described in the Completed Attachments, as the same may be updated at the beginning of any Renewal Term or pursuant to Section 6 of this Agreement.

**FORM OF AGREEMENT FOR
LIMITED TERM PARTIAL ASSIGNMENT
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

Shipper agrees to be bound by the terms and conditions in the Tariffs and the rules and regulations set forth by the Colorado PUC, including provisions related to billing and payment, as these may from time-to-time be amended, and shall assume and perform without limitation all obligations and duties required by Black Hills Energy and Rocky Mountain arising thereunder as to the Partially Assigned Capacity. Shipper is deemed to have executed service agreements with Rocky Mountain for Rate Schedule FTS service, Rate Schedule NNS service, as applicable, and Rate Schedule APAL service. Additionally, Shipper is deemed to have executed a Master Market Center Service (MCS) Agreement for Interruptible Market Center Services (Rate Schedule MCS), which Master MCS Agreement and an associated Transaction Request may be used to resolve imbalances caused by a prior period adjustment(s) as provided for in the Rocky Mountain Tariff.

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The Partially Assigned Capacity may be recalled by Black Hills Energy at any time for any reason allowed by the Tariffs or the rules and regulations set forth by the Colorado PUC. When recalled, the Partially Assigned Capacity shall immediately revert to Black Hills Energy. If the recalled upstream Capacity is conveyed to a replacement Agent, Black Hills Energy may enter into a new or revised Limited-Term Partial Assignment with the replacement Agent.

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2. REPRESENTATION OF AUTHORITY TO ACT:

Shipper represents and warrants that Shipper is authorized as Agent as defined in the Black Hills Energy Tariff to hold upstream Capacity for the benefit of and to allow delivery of gas supply to the Black Hills Energy End-Users whose upstream capacity is reflected on the Attachment to Exhibit A of this Agreement.

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3. BILLING AND PAYMENT:

Rocky Mountain shall bill Shipper for services governed by the Rocky Mountain Tariff. Shipper shall be responsible for payment for charges assessed by Rocky Mountain related to the Partially Assigned Capacity.

4. CREDIT:

To establish credit and credit requirements, and except as required in this paragraph 4 below, Shipper shall complete Exhibit B of this Agreement. Black Hills Energy and/or Rocky Mountain may at any time require Shipper to confirm the accuracy of the information on Exhibit B of this Agreement or to complete an updated version of Exhibit B of this Agreement. Failure to complete an updated Exhibit B which confirms Shipper's creditworthiness as determined by Black Hills Energy and Rocky Mountain may result in termination of this Agreement at Black Hills Energy's sole discretion. Pursuant to the Stipulation and Agreement in Docket Nos. 13AL-0067G et al., Black Hills Energy and Rocky Mountain agree to grandfather existing credit levels, credit assurances and credit requirements for Shipper if Shipper has previously operated as an Agent for an End-User holding a Rocky Mountain Transportation Service Agreement so long the financial condition of the Shipper has not materially changed and so long as the Rocky Mountain service requirements, including Maximum Daily Transportation Quantity, remain the same or are similar to past Agency contract levels.

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**FORM OF AGREEMENT FOR
LIMITED TERM PARTIAL ASSIGNMENT
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

1. TERM:

This Agreement shall be effective as of June 1, 20__, for a 12-month period through May 31, 20__, unless otherwise agreed to by the Parties and consented to by Rocky Mountain, in which case this Agreement shall be effective as of _____, through May 31, 20__ (“Initial Term”). Upon expiration of the Initial Term, this Agreement shall automatically renew for one-year periods each beginning on June 1 (each a “Renewal Term”) unless Black Hills Energy or Shipper provides the other party with written notice of intent not to renew at least 60 (sixty) days prior to the end of the then-current term. For each such Renewal Term, Black Hills Energy, and Shipper shall complete a new Attachment to Exhibit A if any of the information on the Attachment to Exhibit A has changed, which attachment shall replace and supersede any previously effective attachments.

2. TERMINATION:

If Shipper fails to perform its obligations to Rocky Mountain or to Black Hills Energy under this Agreement, including maintenance of the credit requirements set forth on Exhibit B of this Agreement, Black Hills Energy may, at its sole discretion, terminate this Agreement, in whole or in part, in which case the Partially Assigned Capacity shall immediately revert to Black Hills Energy. In the event Black Hills Energy revokes any portion of the Partially Assigned Capacity or in the event Black Hills Energy or Rocky Mountain terminates any of the rights hereunder resulting from Shipper’s breach of this Agreement and/or of the provisions of the Tariffs or the rules and regulations set forth by the PUC, including failure of Shipper to make payment to Rocky Mountain for firm capacity rights and related services, Black Hills Energy shall promptly inform all affected Black Hills Energy End-Users that they will not be entitled to continued Distribution Transportation Service until the End-User elects to perform Agent’s obligations under this Agreement, including making full and complete payment to Black Hills Energy for End-User’s share of charges paid by Black Hills Energy due to the failure of payment by Agent to Rocky Mountain. Subsequent to End-User’s adequate performance, as determined by Black Hills Energy in its sole discretion, End-User may elect to (a) become the upstream limited-term Partial Assignee for the Capacity benefitting the End-User, or (b) designate a new Agent. Otherwise, the End-User shall revert to Black Hills Energy Sales Service until the next June 1. Black Hills Energy and Shipper may mutually agree, with Rocky Mountain’s consent, to terminate this Agreement at any time, in which case such termination and consent shall be set forth in writing. If an End-User voluntarily elects to change Agents, then upon receipt of an executed Agency Agreement or notice of termination of agency, as applicable, Black Hills Energy shall provide Shipper with a revised Attachment to Exhibit A, which Attachment shall replace and supersede any previously effective Attachments to Exhibit A, and this Agreement shall otherwise continue in full force and effect. If Black Hills Energy or End-User terminates a Distribution Service Agreement, Black Hills Energy shall provide Shipper with a revised Attachment to Exhibit A, which Attachment shall replace and supersede any previously effective Attachments to Exhibit A, and this Agreement shall otherwise continue in full force and effect. In the event Shipper no longer has any effective Agency Agreements in place with End-Users to provide capacity, this Agreement shall terminate automatically, provided, however, that Shipper shall first provide Black Hills Energy with notice of such termination as soon as practicable.

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**FORM OF AGREEMENT FOR
LIMITED TERM PARTIAL ASSIGNMENT
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

1. INDEMNIFICATION:

Shipper shall release, protect, indemnify, and hold harmless Rocky Mountain and Black Hills Energy and all of their parent, subsidiary, and affiliated entities and all of their respective directors, officers, employees and agents (each an "Indemnified Party") from and against every kind or character of damages, losses, liabilities, expenses, demands, or claims (including reasonable attorneys' fees and court costs) (collectively "Losses"), to the extent the Losses arise from or relate to, directly or indirectly, the acts or omissions of Shipper, its agents, employees, or subcontractors in connection with the transactions contemplated by this Agreement, except to the extent any Losses are attributable to the negligence or willful misconduct of the Indemnified Party.

2. THIRD PARTY BENEFICIARY:

The Parties agree that Rocky Mountain, with its principal place of business located in Denver, Colorado, is an intended third party beneficiary of this Agreement. As such, Rocky Mountain may enforce Shipper's obligations to Rocky Mountain under this Agreement directly and without the need for any consent, assistance, or intervention of Black Hills Energy. If Shipper fails to perform its obligations to Rocky Mountain under this Agreement, including maintenance of the credit requirements set forth on Exhibit B of this Agreement, Rocky Mountain may, at its sole discretion, terminate this Agreement, in whole or in part, in which case the Partially Assigned Capacity shall immediately revert to Black Hills Energy. Unless otherwise expressly provided, no provision of this Agreement is intended or shall be construed to confer upon or give to any person or entity other than Black Hills Energy, Shipper, and Rocky Mountain any rights, remedies, or other benefits under or by reason of this Agreement.

3. MISCELLANEOUS:

This Agreement and all terms and provisions contained or incorporated herein are subject to the provisions of the Tariffs on file with the Colorado PUC or other duly constituted authorities having jurisdiction, as the same may be amended or superseded. The Tariffs are by this reference made a part hereof.

No waiver by either Party to this Agreement of any one or more defaults by the other in the performance of this Agreement shall operate or be construed as a waiver of any continuing or future default(s), whether of a like or a different character.

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**FORM OF AGREEMENT FOR
LIMITED TERM PARTIAL ASSIGNMENT
OF TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC**

As required by Colorado PUC regulation, this Agreement contains the following provisions:

“This agreement, and all its rates, terms and conditions as set out in this agreement and as set out in the tariff provisions which are incorporated into this agreement by reference, shall at all times be subject to modification by order of the Commission upon notice and hearing and a finding of good cause therefore. In the event that any party to this agreement requests the Commission to take any action which could cause a modification in the conditions of this agreement, the party shall provide written notice to the other parties at the time of filing the request with the Commission.”

“If the end-use customer uses a marketing broker for nomination, gas purchases, and balancing, the end-use customer shall provide the utility with an agency agreement.”

To the extent that the Rate Schedules or the General Terms and Conditions of the Tariffs are inconsistent with the provisions of this Agreement, the provisions of this Agreement shall govern.

This Agreement shall be deemed to have been made and accepted in City and County of Denver, Colorado, and the laws of Colorado, without regard to the Colorado conflicts of law provisions, shall govern any interpretations or constructions of this Agreement.

The individual signing this Agreement on behalf of Shipper represents and warrants that he or she is an officer of Shipper or otherwise possesses the requisite authority to do so, and is duly authorized to sign this Agreement on behalf of Shipper, and thereby bind Shipper to this Agreement, and agrees to indemnify and hold harmless Rocky Mountain and Black Hills Energy from any Losses in the event that such authority did not exist.

AGREED TO BY:

Black Hills Gas Distribution, LLC
1515 Wynkoop Street, Suite 500
Denver, CO 80202

By: _____

Title: _____

CONSENTED TO BY:

Rocky Mountain Natural Gas LLC
1515 Wynkoop Street, Suite 500
Denver, CO 80202

By: _____

Title: _____

Shipper:

Shipper's Name and Address:

Attn: _____

By: _____

Title: _____

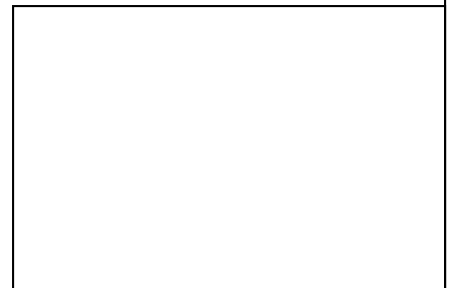


EXHIBIT A
FORM OF
REQUEST FOR TRANSPORTATION SERVICE ON ROCKY MOUNTAIN NATURAL GAS LLC
RELATED TO LIMITED-TERM PARTIAL ASSIGNMENT

Today's Date: _____

I. SHIPPER INFORMATION

Date: _____

Complete Legal Name of Shipper: _____

State of Incorporation: _____

DUNS #: _____

Tax ID #: _____

Address: _____

For Billing: _____

Phone: _____

Phone: _____

Fax: _____

Fax: _____

E-Mail: _____

E-Mail: _____

For Notices:

Contact Name: _____

Alternate Contact: _____

Address: _____

Alternate Address: _____

Phone: _____

Alternate Phone: _____

Fax: _____

Alternate Fax: _____

E-Mail: _____

Alternate E-Mail: _____

Requested date of first service, if applicable: _____

Requested Credit Limit(s), if applicable: _____

Shipper has completed request for credit (Exhibit B – Credit Application): ☐ Yes ☐ No **Date** _____

Certification Statement: Shipper has, or will have, at the time the Natural Gas is transported, title to the Natural Gas to be tendered to Rocky Mountain and Black Hills Energy or Shipper has, or will have, at the time the Natural Gas is transported, a legal right to tender the Natural Gas to Rocky Mountain and Black Hills Energy.

☐ **Yes**

☐ **No**

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**ATTACHMENT: INFORMATION FOR ASSIGNMENT OF TRANSPORTATION SERVICE
ON ROCKY MOUNTAIN**

(TO BE COMPLETED BY BLACK HILLS ENERGY)

Today's Date: _____ Effective Date: _____

Requested On-System Service:

- ☐ Rate Schedule FTS, Rate Schedule NNS as applicable, and Rate Schedule APAL – Standard Rate Option
- ☐ Rate Schedule FTS, Rate Schedule NNS as applicable, and Rate Schedule APAL – Seasonal Rate Option

Service details to be provided in spreadsheet attachment with the following data elements:

Firm Transportation Service			
Receipt Point Capacity			
Primary Point of Receipt	Meter Number	Maximum Daily Receipt Quantity (MDRQ) Dth/d	
Delivery Point Capacity*			
Primary Point of Delivery	Meter Number	Maximum Daily Delivery Quantity (MDDQ) Dth/d	
Path Segment Capacity			
Segment Number	Upstream Segment Number	Flow Direction (F)orward Haul or (B)ack Haul	Maximum Daily Transportation Quantity (MDTQ) Dth/d
Total MDTQ Dth/d			
No-Notice Storage Service			
Storage Maximum Available Capacity (MAC) Dth	Maximum Daily Withdrawal Quantity (MDWQ) Dth/d	Maximum Daily Injection Quantity (MDIQ) Dth/d	
Primary Storage Withdrawal Point	Meter Number	Primary Storage Injection Point	Meter Number

*Rocky Mountain may make delivery point pools available to simplify the nomination and scheduling processes. Such delivery point pools will be posted on Rocky Mountain's EBB.

**ATTACHMENT: INFORMATION FOR ASSIGNMENT OF TRANSPORTATION SERVICE
ON ROCKY MOUNTAIN**

Shipper hereby acknowledges completeness and accuracy of this Attachment:

Name: _____
Title: _____
Date: _____

The individual signing this Attachment on behalf of Shipper represents and warrants that he or she is an officer of Shipper or otherwise possesses the requisite authority to do so, and is duly authorized to sign this Attachment on behalf of Shipper, and thereby bind Shipper to this Attachment, and agrees to indemnify and hold harmless Rocky Mountain and Black Hills Energy from any Losses in the event that such authority did not exist.

Admin. Contract Numbers:

Rate Schedule FTS: _____ Rate Schedule NNS (as applicable): _____ Rate Schedule APAL: _____

**EXHIBIT B
FORM OF
CREDIT APPLICATION TO
ROCKY MOUNTAIN NATURAL GAS LLC
AND
BLACK HILLS GAS DISTRIBUTION, LLC
(TO BE COMPLETED BY SHIPPER)**

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Today's Date: _____

Section 1 --General Information

Shipper Name _____

Shipper Address _____

DUNS# ____ - ____ - ____ FEIN ____ - ____

Contact Person _____ Telephone No. (____) _____

Business Entity: __ "S" Corporation __ "C" Corporation __ Partnership __ Other FAX No. (____) _____

Type of Business _____ Number of years in business _____ State of incorporation _____

List parent company of Shipper (if Shipper is a subsidiary company) or general partners (if Shipper is a partnership)

Is parent company responsible for Shipper debt?

☐ Yes ☐ No

If yes, furnish documentation

Section 2 -- Standardized Credit Information

Please provide the following information current as of the date of this Credit Application:

1. Shipper's long-term unsecured debt securities' ratings:

Moody's Investor Service _____

Standard and Poor's Corporation _____

Not rated by Moody's or S&P _____

2. Please enclose current audited financial statements (to include, at least two most recent years on an annual basis and three most recent monthly or quarterly statements), annual reports, or other reports to regulatory agencies, or any reports from credit reporting agencies. Please attach copies of Shipper's two most recent annual SEC Form 10-K, if applicable.

Section 3 -- Additional Financial Information and Documentation

Is Shipper:

- Operating under federal bankruptcy laws?	___ Yes	___ No
- Subject to liquidation or debt reduction procedures under state laws?	___ Yes	___ No
- Subject to pending liquidation or regulatory proceedings in state or federal courts that could cause a substantial deterioration of Shipper's financial condition?	___ Yes	___ No
- Subject to any collection lawsuits or outstanding judgments that would affect Shipper's ability to remain solvent?	___ Yes	___ No
- Owing any overdue amounts to Black Hills Energy?	___ Yes	___ No
- On a credit watch list of any credit rating agency?	___ Yes	___ No
- Electing to prepay Reservation Service Charges?	___ Yes	___ No

Amount of Total Credit Requested: _____ Net Worth: _____

Shipper's Bank Reference (or other financing source)

Bank Name _____ Bank Account No. _____

Address _____

Loan Officer's Name _____ Telephone No. (____) _____

Two business credit references:

Name: _____

Address: _____

Phone: _____

Contact: _____

Fax: _____

Account Type: _____

Account #: _____

Name: _____

Address: _____

Phone: _____

Contact: _____

Fax: _____

Account Type: _____

Account #: _____

Requested service(s): _____

Please provide anticipated commencement date for requested service: _____

Maximum credit limit requested by Shipper related to Imbalance Quantities: \$ _____

Shipper acknowledges that Rocky Mountain and Black Hills Energy may refuse to schedule quantities under a transportation or storage service agreement if Shipper has imbalance quantities that exceed the approved credit limit.

Incomplete applications shall be declined.

State law may forbid the disclosure of financial information by a firm without the written consent of its customer. By completing this Exhibit B and providing it to Black Hills Energy, Shipper has provided written consent of and authorizes the disclosure of financial information to and by all references listed on the Form of Credit Application to Rocky Mountain and Black Hills Energy. Shipper represents and warrants that Shipper carefully reviewed and completed this Exhibit B, that all information provided herein is complete and accurate, and that Shipper agrees to all terms and conditions set forth therein.

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Shipper certifies that the information on this credit application is accurate and correct as of the date of the application. Once this application is submitted, it authorizes Rocky Mountain and Black Hills Energy to obtain or exchange any credit or financial information that may be requested with Shipper's credit references. Shipper has the obligation to inform Rocky Mountain and Black Hills Energy, through an updated version of this Exhibit B, of any material change in Shipper's credit quality. In addition, Black Hills Energy and/or Rocky Mountain may at any time require Shipper to confirm the accuracy of the information on this Exhibit B or to complete an updated version of this Exhibit B.

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Information provided on this application shall be held in the strictest of confidence and shall be used only by Rocky Mountain and Black Hills Energy in making a credit evaluation.

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DO NOT WRITE BELOW THIS LINE

Determination of Shipper's Credit Requirements: _____

FORM OF AGENCY AGREEMENT
BLACK HILLS GAS DISTRIBUTION, LLC
DISTRIBUTION TRANSPORTATION SERVICE

The undersigned, by and on behalf of _____ (Shipper), having a mailing address of _____, hereby designates _____ (Agent), having a mailing address of _____, as its Agent, with full authority to act on its behalf in managing gas transportation on Black Hills Gas Distribution, LLC (Company), as specified below, for the transportation of gas supplies from Company's Receipt Points to the Primary Delivery Point(s) as shown in the Service Agreement(s).

Shipper authorizes Agent to act on its behalf in managing gas transportation on Company's system, arranging for the delivery of gas quantities to Company's Receipt Point(s) for Shipper including submitting all nominations therefor, managing gas transportation Imbalances incurred on behalf of Shipper, receiving invoices from Company and paying all applicable charges for distribution transportation service provided by Company to Shipper at the above Premise(s). For areas where Rocky Mountain Natural Gas LLC is the upstream provider, Shipper also authorizes Agent to hold upstream transportation services and storage capacity, as applicable, through a limited-term Partial Assignment of the upstream capacity whereby Agent will be the Shipper on the upstream Rocky Mountain Natural Gas LLC pipeline.

Agent and Shipper acknowledge that all service provided by Company is for the benefit of Shipper. Shipper and its Agent acting on its behalf shall be subject to the Rate Schedules and General Terms and Conditions of the Company's Schedule of Rates for Natural Gas Service. In the event that Agent or Shipper fails to make timely payment for service provided by Company, or otherwise is in default under the provisions of Company's Schedule of Rates for Natural Gas Service, this Agency Agreement may be revoked by Company and all service provided shall be subject to termination in accordance with Company's Schedule of Rates for Natural Gas Service. If such termination of service is a result of Agent's failure to make payment, Shipper shall not be entitled to continued service, regardless of whether Shipper has made payment to Agent until Company receives full and complete payment or satisfactory payment arrangements between Shipper and Company have been made as determined by Company. Shipper shall be solely liable for all payments due and owing to Company for all services provided by Company.

Black Hills Gas Distribution, LLC shall provide consent to this Agency Agreement as is indicated by the signature(s) below.

As of the effective date specified below, Agent shall be authorized, in the following manner, to act on Shipper's behalf in managing Company's gas transportation services.

This Agency Agreement shall become effective on _____, 20____, and shall end on _____, 20____. The minimum term of this Agency Agreement shall be a term of 30 days ("Minimum Term"). This Agency Agreement must start on the first day of a calendar month and must end on the last day of a calendar month. If no end date is specified herein, then upon expiration of the Minimum Term, this Agency Agreement shall automatically renew for successive 30 day periods (each, a "Renewal Term"), unless either party provides the other party with at least thirty (30) days written notice of its intent not to renew.

This Agency Agreement is made and entered into this _____ day of _____, 20____.

FORM OF AGENCY AGREEMENT
BLACK HILLS GAS DISTRIBUTION, LLC
DISTRIBUTION TRANSPORTATION SERVICE

Each individual signing this Agreement on behalf of Shipper and Agent represents and warrants that he or she is an officer of the Shipper or Agent, as applicable, or otherwise possesses the requisite authority to do so and thereby bind the Shipper or Agent, as applicable, to this Agreement, and agrees to indemnify and hold harmless Company from any claim that such authority did not exist.

_____	_____
(Shipper)	(Agent)
_____	_____
(print name)	(print name)
Title: _____	Title: _____

CONSENTED TO BY:

Black Hills Gas Distribution, LLC
1515 Wynkoop Street, Suite 500
Denver, CO 80202

By: _____
Title: _____

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FORM OF BINDING ELECTION
BLACK HILLS GAS DISTRIBUTION, LLC
DISTRIBUTION TRANSPORTATION SERVICE

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The undersigned, by and behalf of _____ (Shipper), having a mailing address of _____, and a Distribution Transportation Agreement number(s) of _____, hereby provides its binding election to take distribution transportation service or to allow its Agent to take such upstream transportation service on its behalf using the designated contract entitlements for the period of June 1 of the same year through May 31 of the following year.

This binding election is made and effective on this _____ day of _____, 20____.

The individual signing this Binding Election on behalf of Shipper represents and warrants that he or she is an officer of the Shipper or otherwise possesses the requisite authority to do so and thereby bind the Shipper to this Binding Election, and agrees to indemnify and hold harmless Company from any claim that such authority did not exist.

(Shipper)

(Print Name)

(Title)

Advice Letter No. 285

Jerrad Hammer
Issued By

Issue Date: February 19, 2016

Decision or
Authority No. R16-0058

Director - Rates and Regulatory
Title

Effective Date: March 1, 2016

GENERAL TERMS AND CONDITIONS

1. APPLICATION

The following General Terms and Conditions apply to the extent indicated and to the extent not superseded by inconsistent provisions in each of Company's rate schedules covering distribution transportation services and sales services subject to the jurisdiction of the Colorado Public Utilities Commission. The General Terms and Conditions as contained herein are a binding part of Agreements between Company and Shipper and/or End-User.

2. DEFINITIONS

The following terms shall have the meanings defined below:

- 2.1. "Agent" means a representative of the Company, Shipper or a third party who is authorized to act for the Company, Shipper or the third party through employment or by contract.
- 2.2. "Balance" and "Balancing" means the Shipper's obligation to cause deliveries to equal receipts, with due consideration given to Reimbursement Quantities.
- 2.3. "British Thermal Unit" (Btu) - the amount of energy required to increase the temperature of one (1) pound of water one (1) degree Fahrenheit at fifty-nine (59) degrees Fahrenheit.
- 2.4. "Capacity" means the maximum gas volume which any particular segment of the Company's system is capable of carrying under then current operating conditions.
- 2.5. Reserved for future use.
- 2.6. "Company" or "Transporter" means Black Hills Gas Distribution, LLC.

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GENERAL TERMS AND CONDITIONS – continued

- 2.7 “Commission” shall mean the Colorado Public Utilities Commission (PUC) and any other governmental body or bodies succeeding to, lawfully exercising, or superseding any powers of the PUC.
- 2.8 “Company-used Gas” means the quantity of gas consumed by the Company for purposes of its gas operations.
- 2.9 “Cubic Foot of Gas” is the amount of gas necessary to fill a cubic foot of space when the gas is at a temperature of sixty (60) degrees Fahrenheit and under an absolute pressure of fourteen and seventy-three hundredths (14.73) pounds per square inch.
- 2.10 “Curtailment” means the inability of the End-User to receive natural gas due to a shortage of natural gas supply.
- 2.11 “Customer” means any individually metered Sales Service end user connected, or requesting to be connected, to Company's gas facilities.
- 2.12 “Daily Balancing Period” means that Day or Days for which the Company has posted notice on its interactive website that daily balancing of receipts and deliveries is necessary to maintain compliance with upstream pipeline directives, avoidance of upstream pipeline incremental charges, avoidance of a threat to the Company’s system integrity, or avoidance of impact on the Company’s sales and transportation service contractual obligations.
- 2.13 “Daily Metering” means if directed by the Company, the End-User shall read the Company's gas meter each day at the time specified by the Contract and report such reading to the Company.
- 2.14 “Day” - A period of twenty-four (24) consecutive hours beginning and ending at nine o'clock (9:00) a.m. Mountain Clock Time or at such other hour as Shipper and Company may agree upon.
- 2.15 “Deficient Volumes” are any deficiency in Equivalent Volumes of Shipper’s gas at Delivery Point(s) compared to total gas measured through Company's meter(s) at Delivery Point(s) for any given period of time.
- 2.16 “Distribution Charge” means that portion of the amount to be paid monthly by the Shipper for service, which is based upon the quantity of gas delivered to the related End-User at Shipper’s Delivery Points.

GENERAL TERMS AND CONDITIONS – continued

- 2.17 “Distribution Transportation Service” by Company consists of acceptance of gas tendered by Shipper or Shipper’s designated agent to Company’s Distribution Transportation System at the Point(s) of Receipt, and direct delivery, displacement delivery or exchange delivery for Shipper’s account for the benefit of an End User, including receipt at mainline measuring facilities. Distribution transportation service does not apply to wellhead, gathering, processing, or storage facilities and services.
- 2.18 “Distribution Transportation Service Agreement” or “Transportation Agreement” shall mean a written agreement, providing for gas distribution transportation service, which is executed by the Company and the Shipper, and any exhibits, attachments, and/or amendments thereto.
- 2.19 “End-User” is the party or parties that ultimately consume the supply of natural gas at the Delivery Point(s).
- 2.20 “Equivalent Volumes” are the sum of the volumes of gas measured in therms at a specific pressure base at Receipt Point(s) during any given period of time reduced by the appropriate Company's Percentage Lost and Unaccounted for gas results in an equivalent volume of gas delivered to the Delivery Point(s).

Thus, at an identical pressure base Equivalent Volumes at Receipt Point(s) (EVRP) and Equivalent Volumes at Delivery Point(s) (EVDP) are related mathematically as follows:

$$\text{EVDP} = \text{EVRP} \times \left(1 - \frac{\%L\&U}{100}\right) \quad \text{and} \quad \text{EVRP} = \text{EVDP} \times \left(\frac{1}{1 - \frac{\%L\&U}{100}}\right)$$

where %L&U is Company’s Percentage Lost and Unaccounted for Gas.

- 2.21 “Essential Industrial Process or Feedstock Use” means any use of natural gas in an industrial process or as a feedstock which the Secretary of Energy determines is essential.
- 2.22 “Excess Volumes” means any excess of total gas measured through Company meter(s) at Delivery Point(s) less Equivalent Volumes of Shipper’s gas at Delivery Point(s) for any given period of time.
- 2.23 “Feedstock Gas” is defined as natural gas used as raw material for its chemical properties in creating an end product.

GENERAL TERMS AND CONDITIONS – continued

- 2.24 “Fuel Reimbursement Quantity” is that portion of Shipper’s natural gas received by Company for distribution hereunder which is retained by Company as compensation for company-used gas and lost and unaccounted for gas. The Fuel Reimbursement Quantity is stated as a percentage of the natural gas delivered by Shipper at the Point(s) of Receipt. Title to Fuel Reimbursement Quantity shall rest in Company upon receipt at the Receipt Point(s) at no cost, and free and clear of all adverse claims. The Company shall recalculate its fuel reimbursement percentages annually using prior year actuals ending May 31st, to be filed with the Colorado PUC in conjunction with the Company’s annual Gas Cost Adjustment filing to be effective November 1.
- 2.25 “Gas” or “Natural Gas” is any mixture of hydrocarbons or of hydrocarbons and non-combustible gas, in a gaseous state, consisting essentially of methane.
- 2.26 “Gross Dry Heating Value” is the number of Btus produced by complete combustion, at a constant pressure, of the amount of gas which would occupy a volume of 1 cubic foot at a temperature of 60 degrees Fahrenheit on a water-free basis and at a pressure of 14.73 p.s.i.a. with air of the same temperature and pressure as the gas, when the products of combustion are cooled to the initial temperature of the gas and air, and when the water formed by combustion has condensed to the liquid state.
- 2.27 “Imbalance” shall mean the difference between the MMBtu of distribution gas received by the Company for the Shipper’s account and the MMBtu of distribution gas delivered by the Company to the Shipper for the benefit of the End-User or for the Shipper’s account at the End-User’s Delivery Point, with due regard given to Fuel Reimbursement Quantity.
- 2.28 “Industrial Customer” is a customer engaged primarily in a process which creates or changes raw or unfinished materials into another form or product including mining, oil and gas extraction and the generation of electric power.
- 2.29 “Interruption” means the Company's inability to provide distribution to an End-User due to constraints on the pipeline system.
- 2.30 “Lost and Unaccounted-For Gas” means the difference between the sum of all input quantities of gas received into the Company's distribution system and the sum of all output quantities of gas delivered from the Company's distribution system, which difference shall exclude Company-used gas and shall include, but not be limited to, gas vented and lost as a result of an event of force majeure.
- 2.31 “MBS” means Mainline Border Station.
- 2.32 "Mainline Customer" is a customer served off the mainline upstream of the MBS or TBS.

GENERAL TERMS AND CONDITIONS – continued

- 2.33 "Maximum Daily Delivery Quantity" (at individual delivery point(s) ("MDDQ")) means the maximum quantity of natural gas in MMBtu which Shipper is entitled to deliver to an End-User as delivered by Company under Distribution Transportation Service on any day at a particular delivery point specified in the executed Distribution Transportation Service Agreement, should capacity be available.
- 2.34 "Maximum Daily Receipt Quantity" ("MDRQ") means the maximum quantity of natural gas in MMBtu which Shipper is entitled to tender to Company for Distribution Transportation Service at an individual receipt point on any day.
- 2.35 "Maximum Daily Service Quantity" ("MDSQ") is the maximum quantity of natural gas in MMBtu which Shipper is entitled to tender to Company for Distribution Transportation Service on any day for the account of Shipper at all Receipt Point(s) should capacity be available. Such receipt point(s) and the MDSQ shall be specified on the executed Distribution Transportation Service Agreement. The MDSQ shall include the applicable Fuel Reimbursement Quantity.
- 2.36 "MMBtu" is one million (1,000,000) British thermal units.
- 2.37 "Month" - A period beginning at nine o'clock (9:00) a.m., Mountain Clock Time, or at such other hour as Shipper and Company have agreed upon, on the first day of the calendar month and ending at the same time on the first day of the next month.
- 2.38 "Monthly Billing Period" - is the calendar month.
- 2.39 "Party" means Shipper, Agent, End User, Customer or Company.
- 2.40 "Point of Delivery" or "Delivery Point" - The point of connection between facilities of Company and another party at which the gas leaves the outlet side of the measuring equipment or main of Company and enters the facility of other party or other agreed upon point.
- 2.41 "Premise" means a physical location where an End User takes service.
- 2.42 "Process Gas" is defined as gas use for which alternate fuels are not technically feasible such as in applications requiring temperature controls and precise flame characteristics. For the purposes of this definition, propane and other gaseous fuels shall not be considered alternate fuels.
- 2.43 "p.s.i.a." means pounds per square inch absolute.
- 2.44 "p.s.i.g." means pounds per square inch gauge.

GENERAL TERMS AND CONDITIONS – continued

- 2.45 “Point of Receipt” or “Receipt Point” means the point(s) at which the upstream facilities are interconnected with the Company's facilities and at which the gas flow is metered.
- 2.46 “Request for Gas Transportation Service” is a written request for transportation service submitted by End-User or End-User’s Shipper in the form described by the Standard Form of Distribution Transportation Service Request provided in this Tariff.
- 2.47 “Shipper” shall mean an End User taking Distribution Transportation Service who has requested service from the Company, executed a contract for such service with the Company, and complied with all requirements, contract provisions, rules, and regulations of the Company and any regulatory body having jurisdiction.
- 2.48 “TBS” means Town Border Station.
- 2.49 “Therm” is one hundred thousand (100,000) British Thermal Units (BTU).
- 2.50 “Year” is a period of three hundred sixty-five (365) days commencing and ending at nine o'clock (9:00) a.m. Mountain Clock Time, provided that any year which contains that date of February 29 shall consist of three hundred sixty-six (366) days.

GENERAL TERMS AND CONDITIONS – continued

3. QUALITY

- a. Natural Gas to be delivered by Company shall be of merchantable quality. Company reserves the right to extract or retain or permit the extraction of gasoline or any other substance whatsoever from, or otherwise treat (without impairing its merchantability), the natural gas to be delivered hereunder.
- b. Unless otherwise agreed, gas tendered to Company at each Point of Receipt shall comply with the following quality specifications:
 - (1) At a base pressure of 14.73 p.s.i.a. and a base temperature of 60 degrees Fahrenheit, such gas shall not contain more than:
 - (a) 1/4 grain of hydrogen sulphide per 100 cubic feet;
 - (b) 5 grains of total sulphur per 100 cubic feet;
 - (c) 1 grain of mercaptans per 100 cubic feet;
 - (d) 3.0 percent by volume of carbon dioxide;
 - (e) 7 pounds of water vapor per million cubic feet
 - (f) 10 parts per million (0.001 percent) by volume of oxygen; and
 - (2) Such gas shall be commercial in quality and shall be free from any foreign material such as solids, sand, dirt, dust, gums, crude oil, water or hydrocarbons in the liquid phase, iron particles, and other objectionable substances which may be injurious to pipelines or which may interfere with its transportation or commercial utilization.
 - (3) At a base pressure of 14.73 p.s.i.a., the Gross Dry Heating Value of such gas shall not be less than 950 BTUs nor more than 1150 BTUs per cubic foot.
 - (4) The temperature of such gas shall not exceed 120 degrees Fahrenheit. However, if Company is required to dehydrate the gas at the Point(s) of Receipt, then the temperature of such gas shall not exceed 90 degrees Fahrenheit.
 - (5) The gas shall not contain hydrocarbons in the liquid state at the maximum pressure specified in the Agreement, or the pressure existing at the Point of Receipt, if higher.

GENERAL TERMS AND CONDITIONS – continued

3.1 QUALITY TESTING

- a. The Party operating the measuring equipment, shall use approved standard methods in general use in the gas industry and shall cause adequate tests to be made to determine the quality of the gas delivered hereunder. Such tests shall be made frequently enough to insure that the gas conforms to the specifications hereof.
- b. If gas tendered to Company fails to meet the specifications of this Tariff, the measuring Party shall notify the other Party of such failure. The receiving Party may refuse to accept such gas. The Party tendering non-specification gas hereunder shall indemnify the receiving Party for any injury, damage, loss, or liability caused by the delivery of such gas, except to the extent the receiving Party knowingly and willingly accepts such non-specification gas.

GENERAL TERMS AND CONDITIONS – continued

4. MEASUREMENTS.

- a. The unit of volume for the purpose of measurement and for the determination of total heating value shall be the cubic foot of gas as defined in this Tariff. Volumes of gas measured at prevailing meter pressures and temperatures shall be corrected to the unit of volume define above by the procedures described below:
- (1) Orifice Meters: Installation and the determination of volumes delivered through orifice meters shall conform to the recommendations in "Gas Measurement Committee Report Number Three" of the American Gas Association as amended, revised or superseded from time to time. Values of the orifice thermal expansion factor, manometer factor and gauge location factor shall be assumed to be unity.
 - (2) Turbine Meters: Installation and the determination of values delivered through turbine meters shall conform to the recommendations in "Transmission Measurement Committee Report Number Seven" of the American Gas Association as amended, revised or superseded from time to time.

GENERAL TERMS AND CONDITIONS – continued

- (3) Positive Displacement Meters: Installation and the determination of volumes delivered shall conform to the recommendations in "Gas Measurement Manual Displacement Measurement Part Number Two" of the American Gas Association as amended, revised or superseded from time to time.
- b. The atmospheric pressure shall be the average atmospheric pressure as determined by elevation at the Points of Delivery and Receipt.
- c. The volume of gas delivered through each Point of Delivery and Receipt shall be corrected to a base temperature of sixty (60) degrees Fahrenheit by using:
 - (1) The arithmetic average of the hourly temperatures recorded by a properly installed continuously operated recording thermometer; or
 - (2) A meter containing a temperature operated device, hereinafter referred to as a temperature compensated meter, through the operation of which the meter correctly registers the volume, corrected to sixty (60) degrees Fahrenheit; or
 - (3) An assumed temperature of the gas flowing through the meters of fifty (50) degrees Fahrenheit in the case of any small volume delivery where Company does not elect to install a recording thermometer or temperature compensated meter. However, in the event Company does not install a recording thermometer or temperature compensated meter, End-User may install a recording thermometer and in such case the temperature so recorded shall be used in correcting to a temperature of sixty (60) degrees Fahrenheit.
- d. When orifice meters are used, the specific gravity of the gas delivered hereunder shall be determined by approved methods once a month, or as frequently as necessary for reasonably accurate determination, and the specific gravity so obtained shall be used in computing volumes of gas delivered hereunder.

GENERAL TERMS AND CONDITIONS – continued

- e. The components for determining the deviation from Boyle's Law, at the pressure and temperature under which delivered, shall be determined by tests at intervals of twelve (12) months or at such shorter interval as is found necessary. The correction factor determined by using American Gas Association "Report Number Eight" or American Gas Association "Project NX-19" shall be used in the computation of deliveries until the next test.
- f. The heating value of the gas delivered shall be determined by approved recording calorimeters, gas samples or chromatographs.

5. MEASURING EQUIPMENT

- a. Company agrees to install, operate and maintain on its pipeline at or near each point of connection of the facilities of Company and End-User (or another party which is distributing the gas on behalf of End-User), a meter or meters of standard type and design to measure all of the gas to be delivered hereunder. Company also agrees to install, operate and maintain at or near each Point of Delivery such pressure regulating equipment as may be necessary.
- b. End-User may install, operate and maintain, at its own expense, check measuring equipment as it shall desire, provided that check meters and equipment shall be installed as not to interfere with the operation of Company's meters at or near the Point of Delivery. Company shall have access to check measuring equipment at all reasonable hours but the reading, calibrating and adjusting thereof and changing of charts shall be done only by End-User.
- c. Both Company and End-User shall have the right to be represented at any installing, reading, cleaning, changing, repairing, inspecting, calibrating or adjusting done in connection with the other's measuring equipment installed hereunder. The records from such measuring equipment shall remain the property of the owner but the owner upon request to the other will submit records and charts, together with calculations therefrom, for its inspection and verification, subject to return within ten (10) days after receipt.

GENERAL TERMS AND CONDITIONS – continued

6. METER TESTS AND ADJUSTMENTS

a. Testing Equipment and Certification.

The Company will provide such testing equipment and instrumentation as may be necessary to comply with the Rules and Regulations of the Public Utilities Commission of the State of Colorado. The Company shall operate such equipment with standard methods in general use in the natural gas industry. The Company will exercise reasonable means to determine and maintain the general accuracy of all natural gas measurement equipment. The Company shall maintain, or shall require the qualified third party that provides meter testing equipment and facilities to maintain, suitable gas meter testing equipment in proper adjustment so as to register the condition of meters tested within one-half of one percent. The utility shall have and shall maintain, for the testing equipment, necessary certificate(s) of calibration showing that the equipment has been tested with a standard certified by the National Institute of Standards and Technology or other laboratory of recognized standing.

b. Before being installed for use by an End-User, every gas service meter, whether new, repaired or removed from service for any cause shall be in good order, and shall be adjusted to be correct to within one percent when passing gas at 20 percent of its rated capacity at one-half inch water column differential. Rotary displacement type gas service meters in sizes having a rated capacity of more than 5,000 cfh at a differential not to exceed two inches water column shall be tested and adjusted to be correct within two percent slow and one percent fast when passing gas at ten percent of its rated capacity and shall be adjusted to be correct within one percent slow and one percent fast when passing gas at 100 percent of its rated capacity.

GENERAL TERMS AND CONDITIONS – continued

6. METER TESTS AND ADJUSTMENTS (cont.)

- c. The Company will exercise reasonable means to determine and maintain the general accuracy of all natural gas meters in use. After installation, natural gas meters will be subject to scheduled testing, as set forth below.

Meter Type	Capacity	Testing Frequency	Accuracy Standard
Diaphragm (flow tested)	0 - 500 cf/hour	See Gas Meter Sampling Program	See Gas Meter Sampling Program
	501 – 1000 cf/hour	See Gas Meter Sampling Program	See Gas Meter Sampling Program
	1001 cf/hour or higher	Every two years	+/- 2 percent; average of check and open
Rotary (differential tested)	0-5000 cf/hour	Every five years	ANSI B109.3, Part IV, Section 4.3
	5001 cf/hour or higher	Every seven years	ANSI B109.3, Part IV, Section 4.3
Turbine (spin tested)	All	Every year	Applicable ANSI or AGA Standard
Orifice and Other Types of Meters (testing specific to meter type)	All	Every year	Applicable ANSI or AGA Standard

Note: The above-referenced Gas Meter Sampling Program was approved in Proceeding No. 17A-0379G.

GENERAL TERMS AND CONDITIONS – continued

- d. If, for any reason, Company's meters are out of service or out of repair so that the quantity of gas delivered is not correctly indicated by the reading thereof, the gas delivered during the period such meters are out of service or out of repair shall be estimated and agreed upon on the basis of the best data available, using the first of the following methods which shall be feasible:
 - (1) By using the registration of any check meter or meters if installed and accurately registering;
 - (2) By correcting the error if the percentage of error is ascertainable by calibration, test or mathematical calculation; or
 - (3) By estimating the quantity of delivery by deliveries during preceding period under similar conditions when the meter was registering accurately.
- e. If Company institutes a new method or technique of gas measurement, such as electronic metering, such new method or technique may be substituted by Company in exercise of its reasonable judgment. Company shall promptly inform End-User of any such new technique adopted and the date of its implementation.

7. BILLING

- a. Company shall render invoices on or before the tenth day of each month for all gas delivered, or in the case of transportation service, delivered, in the preceding monthly billing period. When information necessary for billing purposes is in the control of Shipper, such information shall be delivered to Company by Shipper on or before the fifth day of the month following the month in which service was provided.
- b. Both Company and Shipper have the right to examine at reasonable times those books, records and charts of the other to the extent necessary to verify the accuracy of any statement, charge or computation made under or pursuant to any of the provisions hereof.
- c. Each Month Company shall invoice Shipper for any penalties, fees or charges which may be applicable. Shipper shall pay Company such charges within 20 days of the invoice date except where otherwise specified in a rate schedule. Charges more than twenty (20) days overdue shall accrue interest at the deposit interest rate as set forth in the Colorado PUC's Rules Regulating Gas Utilities and Pipeline Operators.

GENERAL TERMS AND CONDITIONS – continued

8. PAYMENTS

- a. Shipper shall pay to Company at its designated office on or before the twentieth day of each month for the natural gas delivered by Company during the preceding month as billed by Company in the invoice for said month.
- b. Notwithstanding Section 8a above, Shipper's payment shall not be due until ten days from the date the Company's invoice for Distribution Transportation Service is rendered.
- c. With respect to a specific Customer's or Shipper's account, any payments received shall first be applied to accrued interest, then to penalties due, then to the previously outstanding principal due, and lastly, to the most current principal due. Charges more than twenty (20) days overdue shall accrue interest at the deposit interest rate as set forth in the Commission's Rules Regulating Gas Utilities and Pipeline Operators.
- d. Shipper and each End-User (if different from Shipper) receiving Shipper's gas through Company's distribution system acknowledges that service provided hereunder is for the benefit of End-User and if Shipper or Shipper's agent fails to make timely payment for any service provided hereunder, or is in violation of any rule or regulation of Company or the Colorado Public Utilities Commission, all service provided to Shipper shall be subject to termination in accordance with the Public Utilities Commission's Rules Regulating Gas Utilities and Pipeline Operators. If such termination of Shipper's service is as a result of Shipper's failure to make timely payment, Shipper shall be subject to termination in accordance with the Commission's Rules Regulating Gas Utilities and Pipeline Operators.

GENERAL TERMS AND CONDITIONS – continued

9. OPERATIONS BY SHIPPER UNDER DISTRIBUTION TRANSPORTATION SERVICE AND COMPANY
- a. Upon request, Shipper shall furnish to Company, as far in advance as operations permit, estimates of the expected daily, monthly and annual quantities of natural gas required by Shipper.
 - b. Each Party shall use reasonable efforts to deliver, or cause to be delivered, gas at reasonably uniform hourly and daily rates of flow. However, either Party may request the other to change the rates of delivery or receipt. The Party requested to make such changes will do so to the extent that it can without adversely affecting its deliveries of gas to any other customer or without adversely affecting Company's own gas supply planning.
 - c. Company shall deliver volumes for Shipper's account concurrently with the receipt of Receipt Volumes to the extent practicable. The Parties recognize that they may be unable to control exactly the quantities of gas received and delivered on any day and that the quantities received by Company may vary from the quantities delivered on any day. Variations shall be kept to the minimum and shall be balanced as soon as practicable. Company shall be under no obligation to accept from Shipper or for Shipper's account more gas at any Receipt Point than has been nominated by such Shipper for the Receipt Point for that day.
10. Reserved for future use.
11. Reserved for future use.
12. Reserved for future use.
13. POSSESSION OF GAS
- a. Shipper shall be in exclusive control and possession of the gas until such has been received by Company at the Point(s) of Receipt.
 - b. Company shall be in control and possession of the gas received from Shipper hereunder and is responsible for any damage or injury caused thereby until the same has been delivered to Shipper for the benefit of End-User at the Point(s) of Delivery. The Point(s) of Delivery of the gas is specified to be the point of division of responsibility between the parties. Thereafter, sole responsibility and liability in relation to the gas shall attach to End-User. Company's responsibility with respect to Shipper's gas shall be deemed to be met if Company exercises due diligence in protecting such gas.

GENERAL TERMS AND CONDITIONS – continued

- c. Company, Shipper, and End-User each indemnifies and saves harmless the other for any and all damages, claims or actions arising out of the maintenance or operation of the other's property or equipment. Neither party shall indemnify the other for any such damages, claims or actions arising out of the negligence of the other party, its employees or agents.

14. PRESSURE

- a. Company shall use due care and diligence to furnish gas hereunder at such uniform pressure as End-User may request but Company shall not be required to deliver at a pressure exceeding the normal operating pressure at Point of Delivery. End-User shall install, operate and maintain such pressure regulating devices as may be necessary or appropriate to regulate the pressure of the gas after its delivery to End-User.
- b. Shipper shall tender gas at the Point(s) of Receipt at a pressure sufficient to enter Company's System. Except with the agreement of Company, Shipper shall not be permitted to tender the gas at any Point of Receipt at a pressure in excess of the pressure specified for that Point of Receipt as set forth in the applicable service agreement.

15. WARRANTY OF TITLE TO GAS

- a. Shipper warrants title to gas hereunder at the time of tender to Company and that this title is free from all liens and adverse claims.
- b. Each Party shall indemnify the other Party against all damages, costs and expenses of any nature whatsoever arising from every title claim against said gas.

16. LIMITATIONS ON OBLIGATIONS

a. FORCE MAJEURE

- (1) It is expressly agreed that Company shall not be liable on any account whatsoever to Shipper or End-User for any failure, interruption or diminution in delivery of gas hereunder or any act, omission or circumstance occasioned by or in consequence of accident to or breakage of pipelines, equipment or machinery, explosions, landslides, earthquakes, fires, lightning, floods, washouts, freezing, storms, the elements, the making of repairs, alterations or replacements, strikes, lockouts or other industrial disturbances, riots, insurrections, civil disturbances, pestilence, acts of God or the public enemy, war, legal interferences, orders or requirements of any court of competent authority, government agency, depletion or destruction of gas wells or fields, diminution or failure of, or interference, partial or entire, with Company's natural gas supply, or, and without limitation by the foregoing, any other causes beyond reasonable control of Company. In every case, Company shall exercise diligence to remove any such interference with its delivery of gas and shall resume such delivery at the earliest practical time.

GENERAL TERMS AND CONDITIONS – continued

- (2) End-User shall not be liable to Company for any failure to receive natural gas hereunder when occasioned by, or in consequence of accident to or breakage of pipelines, equipment or machinery, explosions, landslides, earthquakes, fires, lightning, floods, washouts, freezing, storms, the elements, the making of repairs, alterations or replacements, strikes, lockouts or other industrial disturbances, riots, insurrections, civil disturbances, pestilence, acts of God or the public enemy, war, legal interferences, orders or requirements of any court of competent authority, government agency, or, and without limitation by the foregoing, any other causes beyond reasonable control of End-User. Any such cause or contingency exempting End-User from liability for non-performance (excepting where prevented by valid orders or requirements of Federal, State or other governmental regulatory bodies having jurisdiction in the premises) shall not relieve Shipper of its obligation to pay demand charges or reservation charges or any other amounts owed in accordance with the provisions of the applicable rate schedule. However, Shipper's continuing payment obligation does not include the monthly administrative charge for any month in which no service was provided due to force majeure. In every case, End-User shall exercise diligence to remove any such interference with its receipt of gas and shall resume such receipt at the earliest practicable time.

GENERAL TERMS AND CONDITIONS – continued

This Sheet has been reserved for future use.

Advice Letter No. 285

Decision or
Authority No. R16-0058

Jerrad Hammer
Issued By

Director - Rates and Regulatory
Title

Issue Date: February 19, 2016

Effective Date: March 1, 2016

GENERAL TERMS AND CONDITIONS – continued

b. LIMITATIONS ON CAPACITY FOR RECEIPTS AND DELIVERIES

- (1) See Section 16.e, below, for limitations on capacity for receipts.
- (2) Priorities for Interruption of Service. Whenever Company's system is unable, for any reason, to receive or deliver gas to satisfy the needs of all Shippers or Customers requesting service, Company will reduce deliveries as follows:

PRIORITY 1 (Highest Priority - Firm Sales or Firm Transportation)

Requirements of persons using natural gas in dwellings for residential purposes, including apartment buildings and other multi-unit buildings, and requirements of small commercial consumers (including public and private institutions and local, state and federal governmental agencies) having requirements on a peak day of five hundred (500) therms or less for purposes other than those involving manufacturing or electric power generation, including all requirements:

- (1) in a school, defined as a facility the primary function of which is to deliver instruction to regularly enrolled students in attendance at such facility;
- (2) in a hospital, defined as a facility the primary function of which is delivering medical care to patients who remain at the facility, including nursing and convalescent homes;
- (3) for police and/or fire protection and in sanitation and correctional facilities.

PRIORITY 2 (Second Highest Priority - Firm Sales or Firm Transportation)

Any use of natural gas which has been certified by the Secretary of Agriculture as an essential agricultural use under Section 401(b) of the Natural Gas Policy Act unless the Commission, in consultation with the Secretary of Agriculture determines, by rule or order that the use of an alternative fuel is economically practicable and reasonably available. The definition of "alternative fuel" shall be that stated in 18 CFR 281.303(b) as amended from time to time. Peak day volumes shall be based on current requirements unless such volumes exceed contract or certificate limitations.

GENERAL TERMS AND CONDITIONS – continued

PRIORITY 3 (Third Highest Priority - Sales or Distribution Transportation)

All uses by commercial consumers having requirements on a peak day of greater than five that five hundred (500) therms except for boiler fuel use by commercial consumers having requirements on a peak day of more than three thousand (3,000) therms, and all industrial consumers for feedstock and process needs having requirements on a peak day of not more than five thousand (5,000) therms and for ignition fuel and flame stabilization for boilers when fired by other fuels. An industrial consumer requiring gas for ignition fuel and flame stabilization shall not take more gas for this purpose than is required for safe operation of its plant but shall not take more gas on any day than the volume shown in Priority 3 as its peak day requirement.

PRIORITY 4 (Fourth Highest Priority - Sales or Distribution Transportation)

- (1) Essential Industrial Process and Feedstock uses of consumers having a peak day requirement in excess of five thousand (5,000) therms.
- (2) Firm Service for which there is no end use information or firm service not specified in any other priority.

GENERAL TERMS AND CONDITIONS – continued

c. PROCEDURES

- (1) Within each priority, receipts, transportation and deliveries shall be reduced pro rata based on daily contract quantity.
- (a) Receipts, transportation and deliveries shall not be reduced to Shippers or Customers in any priority until receipts, transportation and deliveries to lower priority Shippers or Customers have been fully reduced (the next higher numerical priority)
- (b) Notwithstanding the above, Company may make deliveries as necessary to forestall irreparable injury to persons or property. Such situations include, but are not limited to, space heating of plant offices and heating for minimum plant protection or maintenance.

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GENERAL TERMS AND CONDITIONS – continued

- (2) It is allowable for a Shipper to contract for a lower priority service than that otherwise provided in this section.

d. INDEX OF REQUIREMENTS

Company shall prepare and maintain from information provided by End User an Index of Requirements which shall show the peak day requirements of each consumer or of each class of consumers, when appropriate, subject to reduction in deliveries under this section based upon end use and served directly or indirectly by deliveries from Company included in Priority 1, Priority 2, Priority 3 and Priority 4. Such index shall be prepared in accordance with the procedures contained in Section 16.c, as amended from time to time and interpreted in accordance with the priorities as defined in Section (b) and the rules stated below:

- (1) The requirements of small consumers, such as residential, small commercial, large commercial, irrigation and crop drying, may be grouped by classes.
- (2) Company's obligation to deliver gas to a sales-for-resale Customer or to any Distribution Transportation Shipper shall not exceed its delivery obligation under its service agreement with such consumer or any certificate limitation pertaining thereto.

GENERAL TERMS AND CONDITIONS – continued

e. SUPPLY DEFICIENCIES

- (1) Shipper's gas volumes received, transported, and delivered by Company pursuant to its Distribution Transportation Rates Schedules shall not be subject to reduction under this tariff solely by reason of a deficiency in the gas supply dedicated to Company's Sales Customers. This supply deficiency shall not be made up by using the Distribution Transportation Shipper's supplies, unless agreed to by the Shipper.
- (2) In the event that a receipt and delivery capability limitation is applicable only to a specific pipeline or area of the system, and the only receipt and delivery reductions required relate to that pipeline or area, then the reductions prescribed above may be limited to such pipeline area.
- (3) Company will use reasonable efforts to give at least four (4) hours notice in advance of the time reductions of takes are to commence. However, when reductions are due to an event of force majeure, Company shall give whatever notice is practicable under the circumstances.
- (4) It is allowable for a Shipper to contract for a lower priority service than that otherwise provided in this section.
- (5) Interruption of gas service shall be in accordance with the class by class priorities as set out in Section 16.b, above.

GENERAL TERMS AND CONDITIONS – continued

17. LIABILITY

- a. If service under this Tariff is interrupted, Company shall not be liable for damages of any kind, including consequential damages, to any Shipper, End User or other party.
- b. Company shall have the right, without liability to any Shipper, End User or other party, to interrupt the transportation, sale, or delivery of gas when necessary to test, alter, modify, enlarge, repair, or maintain any facility, property or appurtenance related to the operation of its pipeline system.

18. REMEDIES

- a. Company is not required to perform service under the Distribution Transportation Service Agreement on behalf of any Shipper that fails to comply with any and all of the terms and conditions of the Distribution Transportation Service Agreement including the applicable rate schedules and these General Terms and Conditions.
- b. The failure of Shipper to timely pay any bill rendered it by Company shall be handled in accordance with the provisions in the Colorado PUC's rules Regulating the Service of Gas Utilities, and the provisions of this Tariff.
- c. No provision of these General Terms and Conditions regarding specific remedies shall bar either Company or Shipper from asserting any other remedy it may have at law or in equity.

19. DULY CONSTITUTED AUTHORITIES

- a. This Gas Tariff including these General Terms and Conditions and the respective obligations of the parties under the Distribution Transportation Service Agreement are subject to valid laws, orders, rules and regulations of duly constituted authorities having jurisdiction.

GENERAL TERMS AND CONDITIONS – continued

- b. Each Party's obligations under a Distribution Transportation Service Agreement incorporating these General Terms and Conditions are conditioned upon each Party obtaining from governmental authorities having jurisdiction such authorization as may be necessary.
- c. The Parties recognize that the rates, terms, and conditions for service hereunder may require change from time to time. Accordingly, Company's rates, terms and conditions, may from time to time be changed by appropriate lawful processes, including the filing of changed provisions with the PUC. Company shall be entitled to collect such changed rate from Shipper commencing with the effective date of such change. Shipper shall be obligated to pay the changed rate, made effective in the manner described above, but nothing herein contained shall prejudice the rights of Shipper to contest at any time changes to the charges for the services rendered hereunder by Company.

20. NOTICES

Except as otherwise provided in this Tariff or the Agreement, operational communications may be made by telephone or other mutually agreeable means, provided that the Company shall keep a written log of all communications with Shippers made by telephone, any notice, request, demand, statement or bill provided for in these General Terms and Conditions and the rate schedules to which they apply, or any notice which either Company or Shipper may desire to give to the other, shall be in writing and shall be considered as duly delivered when deposited in the United States mails, postage prepaid and registered, addressed to the Post Office address of Company or Shipper, or at such other address as either shall designate by formal written notice, except that routine communications (including monthly statements and payments) shall be considered as duly delivered when mailed by either registered or ordinary mail, and except that notices pursuant to Section 16, "Limitations on Obligations" may be given orally.

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS

When the Company reasonably determines that its projected system deliverability or operational integrity, including the ability to provide any Shipper its Distribution Transportation service entitlement, is threatened or compromised, the Company shall be authorized to take action to correct such situation as described below. In such event, the Company shall, to the extent practicable, seek to remedy the situation as provided below; provided, however, that nothing herein shall preclude the Company from bypassing one or more of the steps described below, if, in the Company's reasonable judgment, the situation so requires.

21.1 Operational Alerts. The Company may issue Operational Alerts including by posting such alerts on its interactive website, consisting of the following, as applicable:

- a. A description of the affected portion(s) of the system;
- b. A description of the condition(s) to be corrected and/or designation of Shipper(s) to whom the Operational Alert is addressed;
- c. A list of remedial measures which can be voluntarily undertaken by Shipper or any other entities affecting the system to correct the situation. Remedial measures may include, inter alia, the following:
 - (1) Maximizing the balance of Capacity between segments of the Company's system by shifting inputs or receipts;
 - (2) Changing Receipt Points or Delivery Points;
 - (3) Switching to alternate fuels or other changes in usage;
 - (4) Shipper reliance on storage service or other services from other pipelines;
 - (5) Utilizing existing voluntary arrangements for diversions of Gas between Shippers and/or other Parties;
 - (6) Correction of Imbalances; and/or
 - (7) Performing any other voluntary action which would tend to alleviate or forestall the situation.

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – continued

- d. Any other information, terms and/or conditions which the Company deems appropriate.

Upon issuance of an Operational Alert, the Company may also take such actions as are within its control and discretion to alleviate or forestall the situation, including invoking the provisions of Section 16, Limitations on Obligations, of these General Terms and Conditions. Shippers shall be notified of Operational Alerts via telephone and/or the Company's Interactive Website, and this shall constitute notice that issuance of an Operational Flow Order ("OFO") may be imminent.

21.2 Operational Flow Orders.

- a. In the event that, in the Company's judgment, the Operational Alert actions under Section 21.1, above, are not sufficient to alleviate conditions which threaten or could threaten the safe operations or system integrity, of the Company's system or to maintain operations required to provide efficient and reliable service, the Company shall have the right to issue Operational Flow Orders to Shippers if such action is required:
- (1) To alleviate conditions which in the Company's judgment threaten the integrity of the Company's system;
 - (2) To maintain pipeline operations at the pressures required to provide efficient and reliable sales and transportation services;
 - (3) To have adequate Gas supplies in the system to deliver on demand;
 - (4) To correct imbalances;
 - (5) To maintain service to all Shippers and for all services;
 - (6) To maintain the system in balance for the foregoing purposes; and/or

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – Continued

21.2 Operational Flow Orders - Continued

a. Continued

(7) In one of the following situations:

- i. In the event that receipts in a segment of the Company's system exceed scheduled receipts so that high system pressures back off scheduled receipt quantities, the Company may issue an OFO to all Shippers in the affected segment of the system stating that a high pressure condition exists. All such Shippers will be required to review their Receipt Volumes at Receipt Points on the affected portion of the system. Those Shippers who are receiving more than their scheduled volumes, or who are otherwise responsible, in whole or in part, for the high pressure condition, will have four (4) hours in which to make needed adjustments, or be subject to the penalty specified in this section. An OFO issued pursuant to this paragraph will be canceled by the Company when the high pressure condition has been corrected and the system imbalances created by the high pressure condition have been reasonably resolved.
- ii. If, in the Company's judgment, impending operating conditions will cause the delivery pressure to one or more Shippers to drop to a level which could jeopardize system integrity, the Company may immediately issue an OFO pursuant to this paragraph requiring that deliveries under all Transportation Services be made at a uniform hourly flow rate effective three (3) hours after issuance of the OFO. Failure to comply with such order on a timely basis will subject non-complying Shippers to the penalty specified in this section. If only one segment of the Company's system is affected by low pressure, the OFO shall be limited to that segment of the system. For the duration of the OFO, increases in scheduled delivery quantities within affected segments of the Company's system will be made on a prospective basis only.

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – Continued

21.2 Operational Flow Orders - Continued

a. Continued

(7) In one of the following situations - continued:

- iii. In the event there is a need for the Company to engage in routine and normal maintenance of the system, to undertake repairs and replacements of lines of pipe, to schedule Department of Transportation compliance activities, to install taps, to make pig runs, to test equipment, or to engage in similar actions affecting the Capacity of any portion of the system, the Company may issue an OFO(s) pursuant to this paragraph which will contain an estimate of the time, duration, and impact of the activity. This provision is in addition to Section 16, Limitations on Obligations, of the General Terms and Conditions of this Tariff as an event of force majeure may affect deliveries without triggering the need for an OFO. An order issued pursuant to this paragraph shall be canceled when such planned maintenance or other activities have been completed.
- iv. The Company may, on a non-discriminatory basis, issue such other reasonable OFOs as may be required for the purposes set forth in this section in order to provide the services contemplated in this Tariff.

Before issuing an OFO, the Company will attempt to identify specific Shippers causing a problem and attempt to remedy those problems.

- b. The Company will notify affected Shippers by fax, e-mail, telephone or through the Company's interactive website at least twenty-four (24) hours prior to the implementation of an OFO; provided, however, that a shorter notice period may be given where action must be taken to protect the integrity of the system. Such notice shall include, but not be limited to:

- (1) Identification of the Parties subject to the OFO;
- (2) The time the OFO will become effective;
- (3) The estimated duration of the OFO;
- (4) The triggering tariff provision which is the basis for the OFO;

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – Continued

21.2 Operational Flow Orders - Continued

b. Continued

- (5) Whether the Company is over- or under-delivered;
- (6) Whether actual net receipts need to be equal to or greater than actual deliveries, or actual deliveries need to be equal to or greater than actual net receipts. It is not the Company's responsibility to notify Shipper of actual receipts relative to actual deliveries. Rather, it is the Shipper's responsibility to obtain that information.
- (7) Whether authorized overruns are acceptable; and
- (8) A twenty-four (24) hour contact number for the Company during the duration of the OFO.

c. Upon issuing an OFO, the Company shall notify all affected Shippers by telephone and on the Company's interactive website. Shippers must notify the Company of the name and telephone number of a person who will be available on a twenty-four (24) hour basis to receive notice of the issuance of an OFO. The Company will give a twenty-four (24) hour phone number in the notice.

d. If an OFO is issued, the Company will direct one or more Shippers to adjust receipts and/or deliveries at specific point(s) on the Company's system. The Company reserves the right to request holders of firm Capacity under the Transportation Rate Schedules of this Tariff to use their Primary Receipt Point(s) or Primary Delivery Point(s) to maintain the integrity of the system.

GENERAL TERMS AND CONDITIONS - continued

21. OPERATIONAL CONTROLS – Continued

21.2 Operational Flow Orders - Continued

- e. On any Day that an Operational Flow Order is in effect, all quantities tendered on an individual Service Agreement basis to the Company by Shipper and/or taken by a Shipper on a daily basis in violation of the Company's Operational Flow Orders shall constitute unauthorized receipts or deliveries for which a charge of \$2.50 per therm shall be assessed. With respect to quantities tendered or taken on a daily basis in violation of an OFO, the Shipper also shall be assessed a charge equal to the highest spot gas price listed in *Gas Daily's* Daily Price Survey relative to Colorado Interstate Gas Company, Northwest Pipeline Corporation and Questar Pipeline Company, applicable to the "Rockies" (Rocky Mountain) region, plus the maximum rate for interruptible transportation service, including associated surcharges, under the applicable tariff of the upstream pipeline serving the Shipper, all as described in Section 5.5 of the Distribution Transportation Service Rate Schedule of this Tariff, for the Day that the unauthorized deliveries occurred; provided that said unauthorized deliveries shall be excluded from the determination of an offending Shipper's Imbalance for the Monthly Billing Period. Shippers will be exempt from penalties and imbalances that result from complying with an OFO. Imbalances accrued during and in compliance with an OFO will be cashed out at 100% of the index price as noted above and such amount of imbalance will be excluded from the monthly cash out provisions. Upon an OFO becoming effective, as specified in the OFO or as provided in this section, Shippers, Transporting Pipelines, and other Parties shall be permitted the time stated in the OFO, or such lesser time as is required to protect the integrity of the Company's system, to make adjustments in compliance with the OFO(s). If the Shipper, Transporting Pipeline, or other Party adjusts its tenders or takes within such notice period, then no charge, as provided for herein, shall be assessed.
- f. Compliance with OFOs and the other terms and conditions of this Tariff is essential to providing deliveries and services under all rate schedules. A failure by one or more Shippers to comply with an OFO may affect the Company's ability to provide such deliveries and services. Shippers failing to comply with an OFO may be held accountable, either directly or as a third party defendant, for any damages so caused to other Shippers and/or to the Company. In such event, and in addition to other remedies available under this Tariff and applicable law, the Company shall have no liability or responsibility for its inability to provide services under the affected rate schedules or Service Agreements and will be indemnified and held harmless by the offending Shipper(s) against any claim relating to such failure to provide deliveries and services. Payment of any penalties pursuant to this Tariff for such non-compliance shall not be construed in any way to entitle Shipper to engage in such actions, nor shall such payments be considered as relieving such Shipper of its responsibilities under this section.

22. CONVERSION TO THERMAL BILLING UNITS

The per cubic foot volumetric meter reads, which are already corrected to a standard temperature of 60 degrees Fahrenheit through the use of temperature-compensated meters, are converted to thermal billing units by combining receipt point Btu and atmospheric pressure data.

The Company's system is subdivided into Btu Zones based on the receipt points where natural gas is delivered into the system. The Company's Btu Zones are shown in the table on Sheet No. 136A. This table will be updated periodically. Each Customer's or End-User's meter is assigned to a Btu zone based on the physical location of the meter. Receipt points are equipped with gas quality equipment that measures and records the Btu content of the natural gas passing through that point. The Customer's or End-User's total usage in cubic feet is converted to Btus based on the average daily Btu content of the natural gas in that Btu zone during their billing cycle. At this stage, the amount of Btus used is unadjusted for atmospheric pressure.

Each Customer's or End-User's unadjusted Btus are then adjusted to account for the local atmospheric pressure at the Customer's or End-User's meter based upon available Geographic Information System data based upon altitude. The assigned altitude is converted to an associated fixed conversion factor that will be used to adjust for local atmospheric pressure. The adjusted Btus are then converted to therms for the purpose of determining the Customer's or Shipper's bill.

22. CONVERSION TO THERMAL BILLING UNITS – continued

Thermal Conversion Information

<u>Town Border Station</u>	BTU Zone (Interconnect / Gas Quality Point ID /1)		<u>Town Border Station</u>	BTU Zone (Interconnect / Gas Quality Point ID /1)	
Akron		TIGT / 37369	Log Hill / Fairway Pines		TSCO / 36133
Aspen		RMNG / 7147	Longmont		PSCO / 8916
Aspen Glen		RMNG / 7147	Los Amigos		RMNG / 9078
Aspen Village		RMNG / 7147	Manzanola		CIG / 41386
Avon		RMNG / 9078	Mead		PSCO / 8916
Bachelor Gulch		PSCO / 40685	Mesa		RMGN / 7153
Basalt		RMNG / 7147	Missouri Heights		RMNG 7147
Bayfield		CIG / 41600	Montrose		TSCO / 36133
Carbondale		RMNG / 7147	Mountain Village		TSCO 36133
Cedaredge		RMNG / 7153	Naturita		NW / 8915
Cheraw		CIG / 41386	Norwood		NW / 8915
Collbran		RMNG / 7153	Nucla		NW / 8915
Colona		TSCO / 42128	Olathe		TSCO / 36133
Cordillera		RMNG / 9078	Olney Springs		CIG / 41386
Cotton Ranch		RMNG / 7147	Orchard City		RMNG / 7153
Crawford		RMNG / 7153	Ordway		CIG / 41386
Crowley		CIG / 41386	Otis		TIGT / 37369
Dacono		PSCO / 8916	Ouray		TSCO / 36133
Delta		RMNG / 7153	Ovid		TIGT / 16901
Dove Creek		NW / 8915	Pagosa Springs		PSCO / 41602
Eagle		RMNG / 9078	Panorama		RMNG / 7147
Eckley		TIGT / 37369	Paoli		TIGT / 7411
Edwards		RMNG / 9078	Paonia		TSCO / 36133
El Jebel		RMNG / 7147	Ranch of the Roaring Fork		RMNG / 7147
Erie		PSCO / 8916	Redvale		NW / 8915
Firestone		PSCO / 8916	Ridgway		TSCO / 36133
Fleming		TIGT / 7411	Rocky Ford		CIG / 41386
Fort Lyon		CIG / 41386	Sawpit		TSCO / 36133
Fowler		CIG / 41386	Snow Mass		RMNG / 7147
Frederick		PSCO / 8916	SnowMass Village		RMNG / 7147
Glenwood Springs		RMNG / 9078	Sugar City		CIG / 41386
Gypsum		RMNG / 9078	Swink		CIG / 41386
Haxtun		TIGT / 7411	Telluride		TSCO / 36133
Holyoke		TIGT / 7411	Wellington		PSCO / 8917
Hotchkiss		RMNG / 7153	Whitewater		TSCO / 42128
Iliff		TIGT / 7411	Wolcott		RMNG / 9078
Julesburg		TIGT / 16901	Woody Creek		RMNG / 7147
La Junta		CIG / 41386	Wray		TIGT / 37369
Las Animas		CIG / 41386	Yuma		TSCO / 36133

_ /2 TIGT – Tallgrass Interstate Gas Transmission LLC
RMNG – Rocky Mountain Natural Gas LLC
PSCO – Public Service Company of Colorado
CIG – Colorado Interstate Gas Company
TSCO – TransColorado Gas Transmission Company LLC
NW – Northwest Pipeline

GENERAL TERMS AND CONDITIONS – continued

23. CUSTOMER DATA ACCESS AND PRIVACY

23.1 Standard Data Request (Customer-Identified, Single Customer File)

A. Definitions

Standard Data Request, as provided for herein, is for Standard Customer Data for a single customer that is Actively Maintained in the Company's system.

Standard Customer Data shall mean energy usage data, provided as monthly therms, for up to 18 previous billing months.

Actively Maintained means retrievable upon demand by the Company or Customer only.

System means the Company's back office (CIS+) system utilized for normal revenue billing processes. Only the Company and its contracted agents and the Customer have access rights to the data necessary to fulfill a Standard Data Request. Raw data, directly accessible from the Customer's meter on a real-time basis, is not available in the Company's ordinary course of business.

B. Residential and Non-Residential Description of Standard Data Request
Company will provide Standard Customer Data for a single customer.

C. Rates and/or Charges
\$0 (gratuitous service).

D. Frequency of Customer Data Updates
Updated each month, for prior billing month's usage.

E. Method for Transmittal and Access
Customer may elect one file format: (1) electronic, as comma-separated values (CSV); or, (2) paper, as printed from PDF. Customer will access and download the electronic format file through its own password-protected MyAccount Portal. Customer will receive the paper format file by email or postal mail from the Company. "MyAccount Portal" is a secure website hosted by the Company for its retail customers for online account services.

GENERAL TERMS AND CONDITIONS – continued

23. CUSTOMER DATA ACCESS AND PRIVACY (cont.)

23.1 Standard Data Request (Customer-Identified, Single Customer File) (cont.)

- F. Security Requirements for Transmittal and Access
Customer is responsible for maintaining and protecting its own password for access to MyAccount Portal for the electronic format file. Customer is responsible for providing an accurate email or postal address for delivery by Company of the paper format file.
- G. Timeframe for Processing Customer's Request (Paper Format File)
Upon receipt of customer's request and/or a valid "Consent to Disclose Utility Customer Data" form (where applicable), Company will use reasonable efforts to process the request within three (3) business days. The "Consent to Disclose Utility Customer Data" form is provided by the Colo. Public Utilities Commission on its website, and the Company website, for the customer-of-record to authorize, in writing, release of its customer data by the Company to designated third-parties.
- H. Consent for Release of Customer Data to Customer's Third Party
A valid written "Consent to Disclose Utility Customer Data" form is required if Company is requested to release Standard Customer Data to customer's designated third-party, unless exempted by law or Commission Order.
- I. Customer Request Method (Paper Format File)
Customer may contact the Company by telephone at (888) 890-5554, (800) 563-0012; by fax at (800) 540-2486; or by email at custserv@blackhillscorp.com

23.2 Non-Standard Data Request (Customer-Identified, Multiple Customers Batched File)

- A. Definitions
Non-Standard Data Request, as provided for herein, shall mean Standard Customer Data for multiple customers, with customer-identities shown.
- Standard Customer Data* shall mean energy usage data, provided as monthly therms, for up to 18 previous billing months, for each customer requested in a batched file. Raw data, directly accessible from the Customer's meter on a real-time basis, is not available in the Company's ordinary course of business.
- B. Residential and Non-Residential Description of Non-Standard Data Request
Company will provide Standard Customer Data, for multiple customers with customer-identities shown, batched into a secure electronic file in a comma-separated (CSV) format.
- C. Rates and/or Charges
\$65 per hour, cost-based fee, for time spent by Company employees to develop, process, format, and deliver each batched file.
- D. Frequency of Customer Data Updates
Updated each month, for prior billing month's usage.

GENERAL TERMS AND CONDITIONS – continued

23. CUSTOMER DATA ACCESS AND PRIVACY (cont.)

23.2 Non-Standard Data Request (Customer-Identified, Multiple Customers Batched File) (cont.)

- E. Method for Transmittal and Access
Company will deliver a secure electronic file in a comma-separated (CSV) format to the Third-Party's designated file-transfer protocol ("FTP") site or email address. "Third-Party" shall mean the entity authorized by the customer-of-record to receive its customer data.
- F. Security Requirements for Transmittal and Access
Third-party is responsible for providing a secure FTP site or accurate email address for delivery by Company of the secure electronic file.
- G. Timeframe for Processing Customer's Third-Party Request
Upon receipt of Customer's Third-Party request and a valid, written "Consent to Disclose Utility Customer Data" form for each customer-of-record requested in the batched file, Company will use reasonable efforts to process the request within twenty (20) business days. The Third-Party request must include an Excel spreadsheet file with the customer names and account numbers designated for the batched file. The "Consent to Disclose Utility Customer Data" form is provided by the Colo. Public Utilities Commission on its website, and the Company website, for the customer-of-record to authorize, in writing, release of its customer data by the Company to designated third-parties.
- H. Consent for Release of Customer Data to Customer's Third Party
A valid, written "Consent to Disclose Utility Customer Data" form is required if Company is requested to release Standard Customer Data to customer's designated Third-Party, unless exempted by law or Commission Order.
- I. Customer's Third Party Request Method
Customer or Customer's Third-Party may contact the Company by telephone at (888) 890-5554, (800) 563-0012; by fax at (800) 540-2486; or by email at custserv@blackhillscorp.com

GENERAL TERMS AND CONDITIONS – continued

23. CUSTOMER DATA ACCESS AND PRIVACY (cont.)

23.3 Aggregated Data Request (Non Customer-Identified, Multiple Customers Batched File)

A. Definitions

Aggregated Data Request, as provided for herein, shall mean Standard Customer Data for multiple customers without customer-identities.

Standard Customer Data shall mean energy usage data, provided as monthly therms, for up to 18 previous billing months, for each customer requested in a batched file. Reports generated by the Company under an Aggregated Data Request are non-standard under applicable Commission rules.

B. Residential and Non-Residential Description of Aggregated Data Request

Company will provide Standard Customer Data, for multiple customers without customer-identities shown, aggregated (batched) into a secure electronic file in a comma-separated (CSV) format and based on (1) the requester's selection parameters, and (2) the Aggregation Requirements specified herein. Selection parameters available are customer class, zip code, and/or class ID.

C. Rates and/or Charges

\$65 per hour, cost-based fee, for time spent by Company employees to develop, process, format, and deliver each batched file.

D. Frequency of Customer Data Updates

Updated each month, for prior billing month's usage.

E. Aggregation Requirements

Company will not disclose aggregated data unless such disclosure conforms to the following:

- i. Company will ensure the data does not include any personal information or a unique identifier, where "unique identifier" shall mean a customer's name, mailing address, telephone number, or email address that is displayed on a bill.
- ii. At a minimum, a particular aggregation must contain: (1) at least fifteen customers, and (2) within any customer class, no single customer's customer data or premise associated with a single customer's customer data may comprise 15 percent or more of the total customer data aggregated per customer class to generate the aggregated data report (the "15/15 Rule").

GENERAL TERMS AND CONDITIONS – continued

23. CUSTOMER DATA ACCESS AND PRIVACY (cont.)

23.3 Aggregated Data Request (Non Customer-Identified, Multiple Customers Batched File) (cont.)

F. Aggregation Revised Request

If a requested aggregated data report cannot be generated in compliance with the rules as provided for herein, the Company will notify the requestor that the aggregated data, as requested cannot be disclosed and identify the reason(s) the request was denied. The requestor shall be given an opportunity to revise its Aggregated Data Request in order to address the identified reasons. An Aggregated Data Request may be revised by expanding the number of customers in the request, expanding the geographic area included in the request, combining different customer classes or rate categories, or other applicable means of aggregating.

Company will not provide aggregated data in response to multiple overlapping requests from, or on behalf of, the same requestor that have the potential to identify customer data.

G. Method for Transmittal and Access

Company will deliver a secure electronic file in a comma-separated (CSV) format to the requester's designated file-transfer protocol ("FTP") site or email address.

H. Security Requirements for Transmittal and Access

Requester is responsible for providing a secure FTP site or accurate email address for delivery by Company of the secure electronic file.

I. Timeframe for Processing Aggregated Data Request

Company will use reasonable efforts to process the Aggregated Data Request and will quote to the requester an estimated number of business days for fulfillment of the request. Company reserves the right to check creditworthiness of the requester and/or require a pre-payment.

J. Consent for Release of Customer Data to Requester

Non applicable. Customer-identities are not provided in the aggregated (batched) data file; customer consent is not required.

K. Request Method, Format, and Content

Requester must email the Company at custserv@blackhillscorp.com and submit a valid request which includes, at a minimum, the following items:

Requester Name
Requester Company Name (if any)
Requester Billing Address
Requester Phone (daytime) and email address
Description of Standard Aggregated Data Report, including:

Selection parameters and sorting requirements
Description of time period (start and end dates)

GENERAL TERMS AND CONDITIONS – continued

23. CUSTOMER DATA ACCESS AND PRIVACY (cont.)

23.3 Aggregated Data Request (Non Customer-Identified, Multiple Customers Batched File) (cont.)

Aggregated Data Request Form

Date: _____

Requester Name: _____

Requester Company Name (if any): _____

Requester Billing Address: _____

Requester Phone (daytime) and email address: _____

Description of Standard Aggregated Data Report, including
Selection Parameters and Sorting Requirements:

Description of Time Period (start and end dates): _____

Description of electronic file delivery method (FTP, email, etc.):

GENERAL TERMS AND CONDITIONS – continued

23. CUSTOMER DATA ACCESS AND PRIVACY (cont.)

23.4 Whole Building Energy Use Data Request (Non Customer-Identified, Multiple Customers Batched File)

A. Definitions

Whole Building Energy Use Data Request, as provided for herein, shall mean Standard Customer Data for multiple customers without customer-identities.

Whole Building means the sum of the monthly natural gas use for all service connections at a building on a parcel of real property or all buildings on a parcel of real property.

Standard Customer Data shall mean energy usage data, provided as monthly therms, for up to 18 previous billing months, for each customer requested in a batched file. Reports generated by the Company under a Whole Building Energy Use Data Request are non-standard under applicable Commission rules.

B. Residential and Non Residential Description of Whole Building Energy Use Data

Company will provide Standard Customer Data, for multiple customers in a Whole Building Energy Use Data Report without customer-identities shown, aggregated (batched) into a secure electronic file in a comma-separated (CSV) format. The file shall be based on the Whole Building Aggregation Requirements specified herein; and, only to the extent of, and based upon, information available in the ordinary course of business for a Tier II utility under the applicable Commission rules.

C. Requester

The Whole Building Energy Use Data Report as defined herein is only available to the Property Owner or its authorized agent. "Property Owner" means the legal owner of government record for a parcel of real property within the service territory of a utility.

D. Rates and/or Charges

\$65 per hour, cost-based fee, for time spent by Company employees for development of the report.

GENERAL TERMS AND CONDITIONS – continued

23. CUSTOMER DATA ACCESS AND PRIVACY (cont.)

23.4 Whole Building Energy Use Data Request (Non Customer-Identified, Multiple Customers Batched File) (cont.)

E. Whole Building Aggregation Requirements

Company will not disclose Whole Building Energy Use Data unless such disclosure conforms to the following minimum:

a particular Whole Building Energy Use Data report must contain: (1) at least four customers or tenants, which may include the Property Owner's own account; and, (2) no single customer's Standard Customer Data, unless it is the Property Owner's, shall comprise more than 50 percent of the Whole Building Energy Use Data used to generate the Whole Building Energy Use Data Report (the "4/50 Rule").

F. Method for Transmittal and Access

Company will deliver a secure electronic file in a comma-separated (CSV) format to the requester's designated file-transfer protocol ("FTP") site or email address.

G. Security Requirements for Transmittal and Access

Requester is responsible for providing a secure FTP site or accurate email address for delivery by Company of the secure electronic file.

H. Timeframe for Processing Whole Building Energy Use Data Request

Company will use reasonable efforts to process the Whole Building Energy Use Data Request and will quote to the requester an estimated number of business days for fulfillment of the request. Company reserves the right to check creditworthiness of the requester and/or require a pre-payment.

I. Restrictions and Non-Disclosure Agreement Requirement

The Property Owner agrees to not disclose the Whole Building Energy Use Data except for the purposes of building benchmarking, identifying energy efficiency projects, and energy management; and, the Property Owner must execute a non-disclosure agreement ("NDA") with the Company, and such NDA must meet minimum requirements under applicable Commission rules.

J. Request Method, Format, and Content

Requester must email the Company at custserv@blackhillscorp.com and submit a valid request which includes, at a minimum, the following items:

Requester Name
Requester Company Name (if any)
Requester Billing Address
Requester Phone (daytime) and email address
Description of Whole Building Energy Use Data Report
Description of Time Period Start and End Dates Requested
Description of Electronic File Delivery Method Requested

GENERAL TERMS AND CONDITIONS – continued

23. CUSTOMER DATA ACCESS AND PRIVACY (cont.)

23.4 Whole Building Energy Use Data Request (Non Customer-Identified, Multiple Customers Batched File) (cont.)

Whole Building Energy Use Data Request Form

Date: _____

Requester Name: _____

Requester Company Name (if any): _____

Requester Billing Address: _____

Requester Phone (daytime) and email address: _____

Description of Whole Building, of sufficient nature, for Company to determine applicable customer (tenant) accounts for aggregation processing:

Description of Time Period (start and end dates): _____

Description of electronic file delivery method (FTP, email, etc.): _____
